

TABLE 12.—DISTRIBUTIONAL SHIFTS OF BENEFICIARIES BETWEEN EXISTING RUG—III—MODEL AND THE REFINED MODEL PROPOSED IN THIS RULE—Continued

RUG III category	Existing RUG—III	Refined RUG III category	Refined RUG—III (UWIM)
CC1		CB3	171
CC1		CB2	120
CB2	262	CC5	0
CB2		CC4	9
CB2		CC3	104
CB2		CC2	149
CB1	1423	CD5	0
CB1		CD4	36
CB1		CD3	619
CB1		CD2	768
CA2	802	CE5	0
CA2		CE4	18
CA2		CE3	319
CA2		CE2	465
CA1	4977	CF5	0
CA1		CF4	107
CA1		CF3	2075
CA1		CF2	2795
IB2	60	IA1	60
IB1	565	IB1	565
IA2	12	IC1	12
IA1	379	ID1	379
BB2	1	BA1	1
BB1	52	BB1	52
BA2	2	BC1	2
BA1	71	BD1	71
PE2	41	PA1	41
PE1	401	PB1	401
PD2	119	PC1	119
PD1	1184	PD1	1184
PC2	33	PE1	33
PC1	342	PF1	342
PB2	39	PG1	39
PB1	602	PH1	602
PA2	40	PI1	40
PA1	1185	PJ1	1185

We note that certain events may combine to limit the scope or accuracy of our impact analysis, because such an analysis is future-oriented and, thus, very susceptible to forecasting errors due to other changes in the forecasted impact time period. Some examples of such possible events are newly legislated general Medicare program funding changes by the Congress, or changes specifically related to SNFs. In addition, changes to the Medicare program may continue to be made as a result of the BBA. Although these changes may not be specific to SNF PPS, due to the nature of the Medicare program the changes may interact, and the complexity of the interaction of these changes could make it very difficult to predict accurately the full scope of the impact upon SNFs.

### B. Impact of This Proposed Rule

As stated previously in this preamble, the aggregate increase in payments associated with this update is estimated to be \$900 million. There are three areas of change that produce this increase for facilities—

1. The effect of the Federal transition, that results in many facilities being paid 75 percent at the Federal rate and 25 percent at the facility-specific rate instead of the current 50 percent Federal rate and 50 percent facility-specific rate. There is also the additional effect of the BBRA option to bypass the transition and be paid according to 100 percent of the Federal rate;

2. The implementation of various other provisions in the BBRA; and,

3. The total change in payments from FY 2000 levels to FY 2001 levels. This includes all of the previously noted

changes in addition to the effect of the update to the rates.

As seen in table 13 below, some of these areas result in increased aggregate payments and others tend to lower them. The breakdown of the various categories of data in the table are as follows:

In column one, the first row of the table includes the effects on all facilities. The next six rows show the effects on facilities split by hospital-based versus freestanding and urban versus rural. The rest of the table shows the effects on urban versus rural status by census region.

The second column in the table shows the number of facilities in the impact database. The third column shows the effect of the transition to the Federal rates. It includes the impact of the normal progression of facilities in the transition to new cost reporting periods

and, therefore, blended payment amounts (that is, facility-specific versus Federal rates) as well as those facilities that, as a result of the BBRA, elect to bypass the transition and go immediately to the full Federal rate). This change has an overall effect of raising payments by .3 percent, with most of the increase coming from freestanding facilities. There are several regions that have decreased payments due to this provision, but the majority (and most populous) of the regions evidence higher payments, with the largest increase being in the New England and mid-Atlantic regions for both urban and rural facilities.

We estimate that approximately 51 percent of SNFs currently under the transition will elect to be paid based on 100 percent of the Federal rate. Of these facilities, we estimate 22 percent are hospital-based and 78 percent are freestanding.

The fourth column shows the projected effect of the 4 percent add-on to the adjusted Federal rate mandated by the BBRA. As expected, this provision results in an increase in payments for all facilities. However, as seen in the table, the varying effect of the SNF PPS transition results in a distributional impact of this provision. In addition, since this increase only applies to the Federal portion of the payment rate, the effect on total expenditures is less than 4 percent.

The fifth column of the table shows the effect of the update to the Federal and facility-specific payment rates. It reflects an update to the Federal rates of 1.833 percent, which is equivalent to the market basket increase minus 1 percentage point, as required by law. In addition, it reflects an update to the facility-specific rates of 2.833 percent, which is equivalent to the full market basket increase for this period. For this analysis, it is assumed that payments

will increase by 2.0 percent in total if there are no behavioral changes by the facilities. As can be seen from this table, the effects of the update itself do not vary significantly by specific types of providers or by location.

The sixth column of the table shows the effect of all of the changes on the FY 2001 payments. This includes all of the previous changes, including the update to this year's payment rates by the market basket. Therefore, it is assumed that payments will increase by 5.8 percent in total, assuming facilities do not change their care delivery and billing practices in response. As can be seen from this table, the combined effects of all of the changes vary much more widely by specific types of providers and by location. For example, freestanding facilities enjoy more significant payment increases due to the policy changes, while the effects of the transition tend to diminish the increase for hospital-based providers.

TABLE 13.—PROJECTED IMPACT OF FY 2001 UPDATE TO THE SNF PPS

	Number of facilities	Transition to federal rates (percent)	Add on to federal rates (percent)	Update change (percent)	Total FY 2001 change (percent)
Total .....	9037	0.3	3.4	2.0	5.8
Urban .....	6300	0.0	3.4	2.0	5.5
Rural .....	2737	1.4	3.5	1.9	6.9
Hospital based urban .....	683	-6.1	2.9	2.1	-1.3
Freestanding urban .....	5617	1.2	3.5	2.0	6.8
Hospital based rural .....	533	-3.2	3.2	2.0	1.9
Freestanding rural .....	2204	2.5	3.6	1.9	5.8
Urban by region:					
New England .....	630	6.1	3.8	1.9	12.2
Middle Atlantic .....	877	5.1	3.7	1.9	11.1
South Atlantic .....	959	-2.0	3.2	2.0	3.2
East North Central .....	1232	1.5	3.5	1.9	7.0
East South Central .....	212	-1.3	3.3	2.0	4.0
West North Central .....	469	0.3	3.4	2.0	5.8
West South Central .....	519	-6.8	2.9	2.1	-2.1
Mountain .....	303	-4.6	3.0	2.1	0.3
Pacific .....	1070	-2.5	3.2	2.0	2.6
Rural by region:					
New England .....	88	6.0	3.9	1.9	12.2
Middle Atlantic .....	144	4.0	3.7	1.9	9.9
South Atlantic .....	373	0.6	3.5	2.0	6.2
East North Central .....	561	2.6	3.6	1.9	8.3
East South Central .....	255	-0.4	3.4	2.0	5.0
West North Central .....	581	3.9	3.6	1.9	9.7
West South Central .....	354	-3.2	3.2	2.0	1.9
Mountain .....	204	0.2	3.4	2.0	5.7
Pacific .....	151	1.7	3.6	1.9	7.4

**Notes:**

1. The effects of the various changes are not additive.
2. The percent differences illustrated in this table are measured against the policies and payment rates in effect for FY 2000 as described in the SNF PPS Notice published on July 30, 1999 (64 FR 42684).
3. This table reflects Federal payment rates based on the case-mix methodology and wage index used for FY 2000. As explained in the text, the FY 2001 wage index and national case-mix data based on the refined RUG-III model are not currently available, but will be for the final rule.

In the final rule implementing the SNF PPS update for FY 2001, we will revise the estimates listed in Table 13 to reflect the final FY 2001 payment rates

as well as the latest available data on estimates of program growth in services and expenditures. Table 13 will also incorporate two additional columns

showing the projected distributional effect of the refined case-mix classification system based on actual MDS 2.0 data and updated wage index

across the various facility types and locations, as discussed earlier. We will also indicate the impact of the reduction in the Federal rates to account for the new services excluded from consolidated billing under section 103 of the BBRA.

As discussed earlier in this rule, Section 101 of the BBRA provides for a 20 percent positive adjustment to the adjusted Federal rates associated with 15 RUG-III groups for the period of April 1, 2000 through October 1, 2000. In addition, it provides for a four percent positive adjustment to the Federal rates associated with all RUG-III categories for FY 2001 and FY 2002, regardless of whether refinements to the case-mix adjustment are implemented. However, were we not to implement case-mix refinements such as those proposed in this rule for FY 2001, the Federal rates for this period would be based on the existing RUG-III model currently in use and maintain the 20 percent adjustments to the 15 specified RUG-III groups. As indicated in Table 13, the effect of this proposed rule will be an increase in expenditures of 900 million dollars (or +5.8 percent) over the payment rates and policies as described in the SNF PPS Notice published on July 30, 1999 (64 FR 41684). However, were we not to implement case-mix refinements, the effect of this BBRA provision would be a larger increase in expenditures equaling 1.9 billion dollars (or +12.5 percent). At the present time, we are unable to illustrate the distributional impact of maintaining this 20 percent add-on, but will attempt to develop the data to allow us to do so for the final rule associated with the FY 2001 update. It is important to note that such a result would also have negative consequences for the beneficiary. Section 101 of the BBRA provides the 20 percent add-on for certain RUG-III rehabilitation groups, resulting in higher payments for such groups even though they are associated with a lower intensity of service than other rehabilitation groups. This results in a perverse incentive where some facilities may choose to provide less rehabilitation services to beneficiaries in order to receive the higher payments. Because this provision of the law takes effect on April 1, 2000, it may already be resulting in a reduction of needed services. Adoption of the refinements proposed in this rule would eliminate this perverse incentive.

As noted previously, we are proposing the addition of new RUG-III categories to recognize the needs of Medicare beneficiaries with both heavy medical and rehabilitation needs and to

account more precisely for the variation in non-therapy ancillary services. The refinements will achieve important improvements in the PPS and allow for more accurate payment rates, thus meeting our responsibility to provide for equitable payments to providers while ensuring access to quality SNF care for Medicare beneficiaries. In evaluating the different options, it is important to analyze the overall impact of implementing a refined case-mix system. Adoption of any of these refinements will increase the complexity of the PPS and may introduce some initial uncertainty for providers, who would have to become familiar with the refined system and modify existing operational and support systems. As discussed in section II.B of this proposed rule, we propose adoption of the UWIM model because we believe it best represents an appropriate balance between improvements in the accuracy of our payments and the complexity and uncertainty which results from changes of this nature.

Finally, in accordance with the provisions of Executive Order 12866, this notice was reviewed by the Office of Management and Budget.

#### X. Federalism

We have reviewed this final rule under the threshold criteria of Executive Order 13132, Federalism, and we have determined that it does not significantly affect the rights, roles, and responsibilities of States.

#### List of Subjects

##### 42 CFR Part 411

Kidney diseases, Medicare, Reporting and recordkeeping requirements.

##### 42 CFR Part 489

Health facilities, Medicare, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 42 CFR chapter IV would be amended as follows:

#### PART 411—EXCLUSIONS FROM MEDICARE AND LIMITATIONS ON MEDICARE PAYMENT

A. Part 411 is amended as set forth below:

1. The authority citation for part 411 continues to read as follows:

**Authority:** Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

#### Subpart A—General Exclusions and Exclusion of Particular Services

2. Section 411.15 is amended by:

A. Republishing the introductory text.

B. Revising paragraphs (p)(2)(vii) and (p)(2)(xi).

C. Adding new paragraphs (p)(2)(xii), (p)(2)(xiii), (p)(2)(xiv), and (p)(2)(xv).

D. Revising paragraph (p)(3)(iv).

#### § 411.15 Particular services excluded from coverage.

The following services are excluded from coverage.

\* \* \* \* \*

(p) *Services furnished to SNF residents.* \* \* \*

(2) *Exceptions.* The following services are not excluded from coverage:

\* \* \* \* \*

(vii) Dialysis services and supplies, as defined in section 1861(s)(2)(F) of the Act, and those ambulance services that are furnished in conjunction with them.

\* \* \* \* \*

(xi) The transportation costs of electrocardiogram equipment (HCPCS code R0076), but only with respect to those electrocardiogram test services furnished during 1998.

(xii) Those chemotherapy items identified, as of July 1, 1999, by HCPCS codes J9000–J9020; J9040–J9151; J9170–J9185; J9200–J9201; J9206–J9208; J9211; J9230–J9245; and J9265–J9600.

(xiii) Those chemotherapy administration services identified, as of July 1, 1999, by HCPCS codes 36260–36262; 36489; 36530–36535; 36640; 36823; and 96405–96542.

(xiv) Those radioisotope services identified, as of July 1, 1999, by HCPCS codes 79030–79440.

(xv) Those customized prosthetic devices (including artificial limbs and their components) identified, as of July 1, 1999, by HCPCS codes L5050–L5340; L5500–L5611; L5613–L5986; L5988; L6050–L6370; L6400–6880; L6920–L7274; and L7362–L7366, which are delivered for a resident's use during a stay in the SNF and intended to be used by the resident after discharge from the SNF.

(3) *SNF resident defined.* \* \* \*

(iv) The beneficiary is formally discharged (or otherwise departs) from the SNF, unless the beneficiary is readmitted (or returns) to that or another SNF by midnight of the day of departure.

\* \* \* \* \*

#### PART 489—PROVIDER AGREEMENTS AND SUPPLIER APPROVAL

B. Part 489 is amended to read as follows:

1. The authority citation for part 489 continues to read as follows:

**Authority:** Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

## Subpart B—Essentials of Provider Agreements

2. Section 489.20 is amended by:

A. Republishing the introductory text and paragraph (s) introductory text.

B. Revising paragraphs (s)(7) and (s)(11).

C. Adding new paragraphs (s)(12), (s)(13), (s)(14), and (s)(15).

### § 489.20 Basic commitments.

The provider agrees to the following:

\* \* \* \* \*

(s) In the case of an SNF, either to furnish directly or make arrangements (as defined in § 409.3 of this chapter) for all Medicare-covered services furnished to a resident (as defined in § 411.15(p)(3) of this chapter) of the SNF, except the following:

\* \* \* \* \*

(7) Dialysis services and supplies, as defined in section 1861(s)(2)(F) of the Act, and those ambulance services that are furnished in conjunction with them.

\* \* \* \* \*

(11) The transportation costs of electrocardiogram equipment (HCPCS code R0076), but only with respect to those electrocardiogram test services furnished during 1998.

(12) Those chemotherapy items identified, as of July 1, 1999, by HCPCS codes J9000–J9020; J9040–J9151; J9170–J9185; J9200–J9201; J9206–J9208; J9211; J9230–J9245; and J9265–J9600.

(13) Those chemotherapy administration services identified, as of July 1, 1999, by HCPCS codes 36260–36262; 36489; 36530–36535; 36640; 36823; and 96405–96542.

(14) Those radioisotope services identified, as of July 1, 1999, by HCPCS codes 79030–79440.

(15) Those customized prosthetic devices (including artificial limbs and their components) identified, as of July 1, 1999, by HCPCS codes L5050–L5340; L5500–L5611; L5613–L5986; L5988; L6050–L6370; L6400–6880; L6920–L7274; and L7362–L7366, which are delivered for a resident's use during a stay in the SNF and intended to be used by the resident after discharge from the SNF.

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance Program; and No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: March 20, 2000.

**Nancy-Ann Min DeParle**,  
*Administrator, Health Care Financing Administration.*

Approved: March 27, 2000.

**Donna E. Shalala**,  
*Secretary.*

**Note:** The following appendix will not appear in the Code of Federal Regulations.

## Technical Appendix A—Technical Features of the RUG–III Refinements Analyses

The purpose of the research discussed in this proposed rule is to develop potential refinements to the PPS that would better ensure accurate and equitable payment. An analytic (or research) data base consisting of linked MDS assessments and Medicare claims data was developed, and used to perform the analyses described in this proposed rule.

### A. Creation of Analytic Sample

In creating the analytic sample used to develop and test potential refinements, we were guided by the desire to have a large, representative sample and the need to exclude assessments likely to contain reporting errors. Our original sample included 733,300 MDS assessments from seven States, representing the years 1995 through 1997. We then reduced this sample through implementation of the following exclusion criteria:

1. Exclude all assessments from New York. All assessments from New York were excluded from analyses that used Medicare claims data because many facilities in the State billed SNF stays using an all-inclusive rate. Because these facilities did not use the revenue codes that we used to measure prescription drug, respiratory therapy or other non-therapy ancillary charges, measured ancillary charges for most New York beneficiaries were zero in some or all of the revenue codes analyzed for this study. The exclusion of New York results in the removal of 525,215 of the 733,300 total MDS assessments from our analytic sample.

2. Exclude all assessments for which a cost-to-charge ratio could not be calculated. Medicare cost report data were used to calculate the facility-specific ratio of Total Part A allowed cost to total Part A charges for each facility in each year. Facilities missing Medicare cost reports for at least two years between 1995 and 1997 were excluded because we were not able to calculate cost-to-charge ratios for the facility. This resulted in the exclusion of 93,314 additional assessments.

3. Exclude all facilities for which the correlation between a measure of drug costs calculated from Section U and one calculated from Medicare claims data was less than zero. We used drug charge data derived from Medicare claims in the refinement analyses, but used the Section U data to identify facilities with unreliable drug cost data. For facilities that have a negative correlation between the two drug cost measures, there is a concern about inaccurate reporting on either claims or MDS assessments at the

facility level, and these facilities were excluded. This step resulted in the exclusion of 10,915 MDS assessments.

4. Exclude all beneficiaries with per diem ancillary charges greater than \$1,000. Two hundred fifty-three (253) observations with per diem total ancillary charges greater than \$1,000 were excluded from the refinement analyses. Summary measures of statistical performance such as R-squared are typically sensitive to outliers, and these extreme values were judged unlikely to be accurate. In addition, such values have disproportionate leverage in the design of potential refinements. The exclusion of extreme outliers in refinement analyses does not mean that their costs cannot be considered when determining payment rates.

The resulting analytic sample included 103,603 assessments, which were assigned randomly to either the test or validation samples. We assigned approximately 60 percent of this sample—61,929 assessments—to the test sample which was used to develop and test potential refinements. The remaining 41,674 assessments comprised the validation sample.

### B. Characteristics of the Sample

Table 1 shows the sociodemographic characteristics of the sample stratified by an aggregate of the RUG–III categories. The majority of beneficiaries were female (65 percent), with little variation in the proportion across the RUG–III categories. Beneficiaries classified in the Behavior category were less likely to be male (37 percent) and those in the Physical Function categories were the least likely to be male (30 percent). The majority of beneficiaries were white, of non-Hispanic origin (84 percent). Approximately nine percent of beneficiaries were black and 2 percent were Hispanic. Overall, nearly one quarter of the beneficiaries were severely cognitively impaired. Among beneficiaries classified in a Rehabilitation category, 35 percent were moderately impaired and 14 percent were severely cognitively impaired. The distribution of cognitive impairment among those classified as Reduced Physical Function was similar to that of the Rehabilitation category. Beneficiaries classified as Extensive Services or Special Care also had a similar distribution of cognitive impairment level. Approximately one third of each were moderately impaired. Thirty-nine percent of beneficiaries were classified as dependent in activities of daily living and only 7 percent with no limitations. Beneficiaries in the Behavior category were most likely to have only minimal limitations in physical functioning (28 percent). Beneficiaries classified in the Clinically Complex (14 percent), Cognitively Impaired (13 percent), or Physical Function (14 percent) categories were also more likely to have minimal limitations relative to the other RUG–III categories. Beneficiaries in the Extensive Services (58 percent) and Special Care (56 percent) categories were most likely to be classified as dependent in activities of daily living.

The active clinical diagnoses documented for beneficiaries in the sample are shown

stratified by RUG-III group on Table 1.1. Cardiovascular diseases were common in beneficiaries. Overall, 20 percent of beneficiaries had coronary artery disease. Cardiac arrhythmia was present in 14 percent of beneficiaries. Overall, nearly one quarter of beneficiaries had congestive heart failure and 9 percent had peripheral vascular diseases. On average, 43 percent of beneficiaries had documented hypertension. While the distribution of beneficiaries with coronary artery disease appeared similar across RUG-III groups, congestive heart failure and arrhythmia were more common in the Extensive Services, Special Care, and Clinically Complex categories. For most of the cardiovascular conditions, beneficiaries in the Impaired Cognition category were less likely to have these diseases relative to other RUG-III categories. A similar, but attenuated pattern was noted for beneficiaries in the Behavior category.

Neurological diseases were also common. Overall, 9 percent of beneficiaries had Alzheimer's disease documented. Twenty-eight percent had other dementia documented. Nearly one quarter of beneficiaries had an active clinical diagnosis of stroke and 6 percent had Parkinson's disease. While the proportion of beneficiaries with Parkinson's disease did not vary by RUG-III group, the proportion with other neurological conditions varied substantially by RUG-III group. Beneficiaries in the Impaired Cognition group were more likely to have Alzheimer's disease (22 percent) and other dementia (54 percent) documented and less likely to have had a stroke (15 percent) compared to other RUG-III groups. Similar to the Impaired Cognition group, beneficiaries in the Behavior category were more likely to have other dementia (41 percent) and less likely to have had a stroke (12 percent) compared to other RUG-III groups, but this category had a similar proportion of beneficiaries with Alzheimer's disease. The distribution of neurological conditions among beneficiaries classified as Extensive Services, Special Care, and Clinically Complex was similar. A third of beneficiaries classified as Extensive Services and Special Care had non-Alzheimer's dementia and one quarter had suffered a stroke.

Only 5 percent of beneficiaries had anxiety and 16 percent had depression documented as a diagnosis on the MDS. Across RUG-III groups, the proportion of beneficiaries with anxiety and depression was similar. However, the prevalence of anxiety (8 percent) and depression (22 percent) was higher in the Behavior category. Twelve percent of beneficiaries had cataracts and 7 percent had glaucoma. These conditions did not vary substantially by RUG-III group. Overall, septicemia was rare (1 percent), and only 8 percent of beneficiaries had pneumonia, while 17 percent had urinary tract infections. Beneficiaries in the Extensive Services category were more likely to have septicemia (2 percent), pneumonia (17 percent), and urinary tract infections (24 percent) compared to other RUG-III categories. Other diagnoses and conditions were common. Twenty-one percent of

beneficiaries had allergies, 19 percent had anemia, 22 percent had arthritis, 22 percent had diabetes, and 12 percent had cancer. Beneficiaries in the Rehabilitation, Extensive Services, Special Care, and Clinically Complex categories were more likely to have these conditions relative to the Impaired Cognition and Behavioral Problem categories. The prevalence of hypothyroidism (10 percent) did not vary by RUG-III group.

Pooling across all States and the three years, there is little variation by RUG-III group in total daily drug cost as measured by Section U. Median costs within the Rehabilitation groups range from approximately \$6.50 (Low Rehabilitation) to approximately \$9.00 (Ultra-high Rehabilitation) whereas the lowest costs of medications were experienced by the Impaired Cognition category (approximately \$3.00). The groups with the higher interquartile range (approximately \$13) were the Extensive Services categories and some of the Rehabilitation groups (for example, RVC was approximately \$12). The Impaired Cognition category also demonstrated the least variation in costs of medications, with an interquartile range of approximately \$5.

To better understand which classes of drugs may be driving costs, we classified the drugs according to fourteen major therapeutic classes. The most expensive therapeutic drug classes are anti-infective agents (Median: \$6.53) and biologics (Median: \$9.73). The least expensive therapeutic drug classes are analgesics (Median: \$0.10) and nutritional products (Median: \$0.18). The proportion of beneficiaries within each of the major RUG-III categories are shown in Table 1.2. Variations in medication use across RUG-III groups were apparent for many medication classes and corresponded to observed variations in the active clinical diagnoses shown by RUG-III group in Table 1.1. Beneficiaries were least likely to be on biologics (1 percent) and anti-neoplastics (2 percent), regardless of RUG-III class. The majority of beneficiaries were on at least one cardiovascular medication, with substantial variation across RUG-III groups. Beneficiaries in the Rehabilitation category (67 percent) and in the Clinically Complex category (64 percent) were the most likely to be receiving at least one cardiovascular medication. Beneficiaries in the Impaired Cognition (47 percent) and Behavior (53 percent) categories were the least likely to be receiving cardiovascular medications.

Similar trends were observed across RUG-III groups for both gastrointestinal agents and endocrine/metabolic agents. More than half of beneficiaries had taken at least one gastrointestinal agent with beneficiaries in the Rehabilitation categories (67 percent) the most likely to use gastrointestinal products and beneficiaries in the Impaired Cognition or Behavioral Problem categories the least likely to receive these drugs (approximately 50 percent). With endocrine and metabolic agents, over one third of beneficiaries in the Rehabilitation, Extensive Services, Special Care, and Clinically Complex categories received these drugs, relative to approximately 25 percent of other RUG-III

groups. Beneficiaries in the Rehabilitation, Extensive Services, Special Services, and Clinically Complex categories were most likely to be on anti-infective agents, with over 25 percent of beneficiaries in each on these medications. Among these RUG-III groups, beneficiaries in the Extensive Services categories were the most likely to be taking anti-infective agents (39 percent). Less than 15 percent of beneficiaries in other RUG-III groups received these drugs.

Overall, 47 percent received at least one analgesic. Impaired Cognition (32 percent) and Behavior beneficiaries (39 percent) were less likely to receive analgesics than those in the Rehabilitation category (60 percent). Similar trends were apparent with hematological agents (approximately 20 percent Impaired Cognition vs. approximately 35 percent in the Rehabilitation groups), and topical agents (approximately 20 percent vs. approximately 37 percent in the Special Care groups). Conversely, beneficiaries in the Impaired Cognition (approximately 46 percent) and Behavior (over 50 percent) categories were more likely to receive CNS drugs relative to the other RUG-III groups (approximately 33 percent).

The highest proportion of total costs due to anti-infective use is found in the Extensive Services and Clinically Complex groups, with approximately 50 percent of drug costs attributable to the anti-infective agents. Use of biologics was relatively infrequent (approximately 1.2 percent) and the proportion of drug costs due to these agents was highly variable among the users, regardless of RUG-III group. Among people receiving anti-neoplastic medications (approximately 2.2 percent of beneficiaries), these agents accounted for one quarter of their total daily drug cost (Median: 27 percent; 25th percentile: 13 percent; 75th percentile: 49 percent). Regardless of RUG-III group, this measure is highly variable. While nearly one third of all beneficiaries received an endocrine medication, these agents only accounted for 8 percent of the total daily drug costs among users. Cardiovascular medications accounted for 18 percent of the total daily drug cost, which varies slightly across RUG-III group (+/- approximately 4 percent). There appears to be slightly less variation in this measure among the Extensive Services, Special Care, and Clinically Complex groups as compared to other RUG-III categories. Among the 19 percent of beneficiaries using respiratory medications, 12 percent of their drug costs were due to these agents. Higher median proportions and greater variability occurred at the end splits within the aggregate RUG-III categories. A similar pattern is observed among users of gastrointestinal agents. These medications accounted for only 13 percent (median) of the total daily costs. This measure is highly variable, regardless of RUG-III group. Only 5 percent of beneficiaries had used a genitourinary medication, accounting for only 13 percent of total drug costs (median value). This measure varied slightly across RUG-III groups.

TABLE 1.—SOCIODEMOGRAPHIC CHARACTERISTICS OF RESIDENTS OF SNF STAYS BY RUG—III GROUP

	All	Rehabilita- tion	Extensive services	Special care	Clinically complex	Impaired cognition	Behaviors only	Physical function re- duced
Male .....	35	37	36	34	36	35	37	30
Race/Ethnicity:								
White .....	84	90	83	83	82	80	84	83
Hispanic .....	2	1	2	2	2	3	3	2
Black .....	9	6	9	9	9	11	8	9
Asian/Pacific Islander	0.5	0.2	0.7	0.5	0.6	0.7	0.7	0.6
American Indian .....	1	0.7	2	2	2	1	1	1
Missing= .....	3	.9	3	4	4	3	3	3
Cognitive Impairment:@								
Mild (CPS: 0–1) .....	41	51	33	35	47	0	50	53
Moderate (CPS: 2–4)	35	35	31	34	35	67	50	32
Severe (CPS: 5–6) ...	23	14	34	31	17	33	0	14
Physical Functioning:								
Minimal limitations ....	7	6	0	3	14	13	28	14
Moderate limitations ..	44	53	37	36	51	58	49	47
Dependent .....	39	18	58	56	31	20	7	26
Missing= .....	9	23	6	4	4	9	16	12

@ CPS = Cognitive Performance Scale.  
 =Missing data percentages shown when greater than 3% missing data occurred.  
 Totals may not equal 100% due to rounding.

TABLE 1.1—ACTIVE CLINICAL DIAGNOSES FOR BENEFICIARIES BY RUG—III GROUP

	All	Rehabilita- tion	Extensive services	Special care	Clinically complex	Impaired cognition	Behaviors only	Physical function re- duced
Heart/Circulation:								
Coronary artery dis- ease .....	20	14	22	22	22	21	19	21
Cardiac arrhythmia ...	14	15	16	15	14	11	8	12
Congestive heart fail- ure .....	24	22	27	25	27	16	20	21
Hypertension .....	43	44	42	42	44	37	40	42
Peripheral vascular diseases .....	9	8	10	12	9	6	7	7
Other cardiovascular diseases .....	20	20	21	21	21	16	16	17
Neurological:								
Alzheimer's disease ..	9	5	9	9	8	22	11	8
Other dementia .....	28	18	30	30	27	54	41	28
Cerebrovascular dis- ease .....	23	26	24	25	25	15	12	16
Parkinson's disease ..	6	5	6	6	5	6	5	6
Psychiatric:								
Anxiety .....	5	6	5	5	6	5	8	5
Depression .....	16	17	15	17	18	15	22	15
Sensory:								
Cataract .....	12	6	14	14	14	14	13	13
Glaucoma .....	7	5	7	7	7	6	8	7
Infections:								
Septicemia .....	1	1	2	1	1	0	0	0
Pneumonia .....	8	8	17	8	10	0	0	0
Urinary tract infection	17	16	24	19	13	10	9	12
Other:								
Allergies .....	21	23	22	22	21	14	19	17
Anemia .....	19	16	23	22	19	15	14	17
Arthritis .....	22	22	23	22	21	17	19	24
Cancer .....	12	11	14	13	13	7	8	9
Emphysema/COPD ...	15	14	17	15	19	10	14	10
Diabetes mellitus .....	22	22	22	23	24	15	19	18
Hypothyroidism .....	10	10	10	10	10	9	9	9
Osteoporosis .....	8	9	8	8	8	6	6	9

TABLE 1.2—DRUG UTILIZATION BY THERAPEUTIC CLASS AND RUG-111 GROUP

	All	Rehabilita- tion	Extensive services	Special care	Clinically complex	Impaired cognition	Behaviors only	Physical function re- duced
Anti-infectives .....	26	29	39	28	23	12	12	16
Biologics .....	1	0.3	1	2	1	1	1	1
Anti-neoplastics .....	2	2	2	2	3	1	2	1
Endocrine .....	31	36	30	30	33	22	26	26
Cardiovascular .....	61	67	59	59	64	51	55	58
Respiratory .....	19	23	21	18	23	9	17	13
Gastrointestinal .....	61	67	60	62	62	47	53	58
Genitourinary .....	5	6	5	5	5	4	3	5
CNS .....	36	43	32	33	38	46	55	34
Analgesics .....	47	60	43	45	44	32	39	44
Neuromuscular .....	13	13	13	13	12	14	18	12
Hematological .....	30	35	30	31	29	20	19	26
Topical .....	30	26	34	37	28	20	20	23

### C. Test and Validation Samples

The recursive strategies employed by stepwise regression, AID, and other fitting techniques may produce over-optimistic measures of variance explanation. For that reason, assessment of the explanatory power of alternative models required use of data that were not used in forming the models themselves. We selected at random 60 percent of the sample for use as a test sample and the remaining 40 percent for use as a validation sample. Refinements to RUG-III were developed based solely on analysis of the test sample and evaluated solely on their performance with the validation sample. Since aberrations in the test sample that may have influenced the design of refinements were absent in the validation sample, any unsupported features of the proposed models should be exposed by this approach.

### D. Creation of Measure of Non-therapy Ancillary Charges From SNF Claims

Medicare Part A SNF claims were used to measure the per diem ancillary charges. For ancillary charges developed using Medicare claims data, it was not possible to identify items with a date of service that corresponds to the period covered by the MDS assessment (used to establish the RUG-III classification). Per diem charges were calculated using Medicare claims with a covered date within a specified range of a date covered by MDS assessment. Operationally, per diem charges are derived by the sum of the charges of the ancillary therapies divided by the number of days covered by claims.

We then estimated the costs of non-therapy ancillaries, using revenue codes as extracted from the claims data. First, we identified target revenue codes and categorized charges

into these conceptually meaningful categories. The categories and their related revenue codes included the following: prescription drugs/pharmacy (250-259), drugs requiring ID (630-639), IV therapy (260-269), medical and surgical supplies (270-270; 620-622), respiratory services (410-419), laboratory (300-309), oxygen (600-604), and dialysis (820-829, 830-839, 880-889).

#### 1. Cost-to-Charge Multiplier

It is important to note that the actual ancillary costs for beneficiaries in the sample are not observed. The covered charges reported in claims are routinely discounted by the intermediary responsible for processing on the basis of audited reasonable cost. Inclusion of ancillary charges without further adjustment in our measure of per diem ancillary charges would overstate the true level of reimbursable costs, since these charges are routinely discounted before payment under the present system.

Using the appropriate annual SNF cost report (that is, the cost report for the service period covered by the claim), conversion factors were computed for each SNF included in the research data base. To be as consistent as possible, we calculated one average discount factor (the ratio of total Part A allowed cost to total Part A charges) for each facility in each year. This discount factor was applied to the facility's ancillary charges before analysis to approximate the costs of ancillary services.

### E. Analysis and Findings—RUG-III Refinements

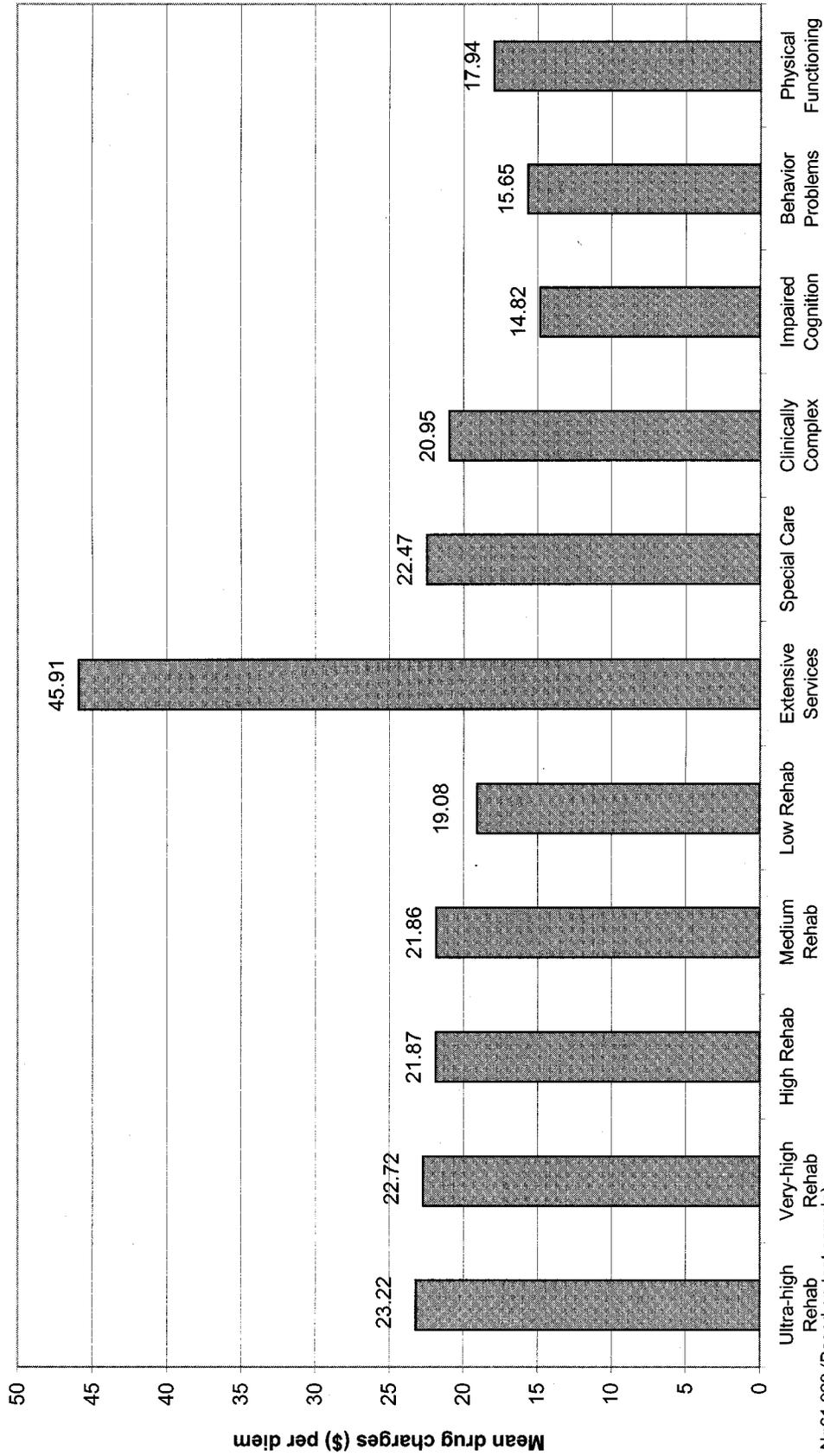
As shown by previous research and confirmed in this study, the RUG-III

Extensive Services groups are associated with the highest per diem non-therapy ancillary charges of any of the RUG-III classifications, including the rehabilitation categories. For the purposes of this project, ancillary costs were divided into three categories: medications (by far the most critical predictor of overall ancillary costs), respiratory therapy, and other ancillaries. This research also showed significantly higher non-therapy ancillary costs and intra-group variance related to the variety of ancillary supplies and services needed to treat the various acute and severe health conditions characterizing beneficiaries who classify into the Extensive Services category. Figures 1 through 3 compare the mean, per diem costs of ancillary services for beneficiaries in the Extensive Services category with those of beneficiaries in other RUG-III categories.

Another key to more accurate accounting of the cost(s) associated with treating Extensive Services beneficiaries is disentangling some of the overlap between the Extensive Services and Rehabilitation categories. Under the current PPS system, the payment rate (under an index maximization approach) is the same for beneficiaries who qualify for both Extensive Services and one of the top three rehabilitation categories (Ultra High, Very High and High Rehabilitation) as for those beneficiaries who qualify only for one of the top three rehabilitation categories. Using this research data base, we found a significant number of beneficiaries qualifying for both Extensive Services and Rehabilitation.

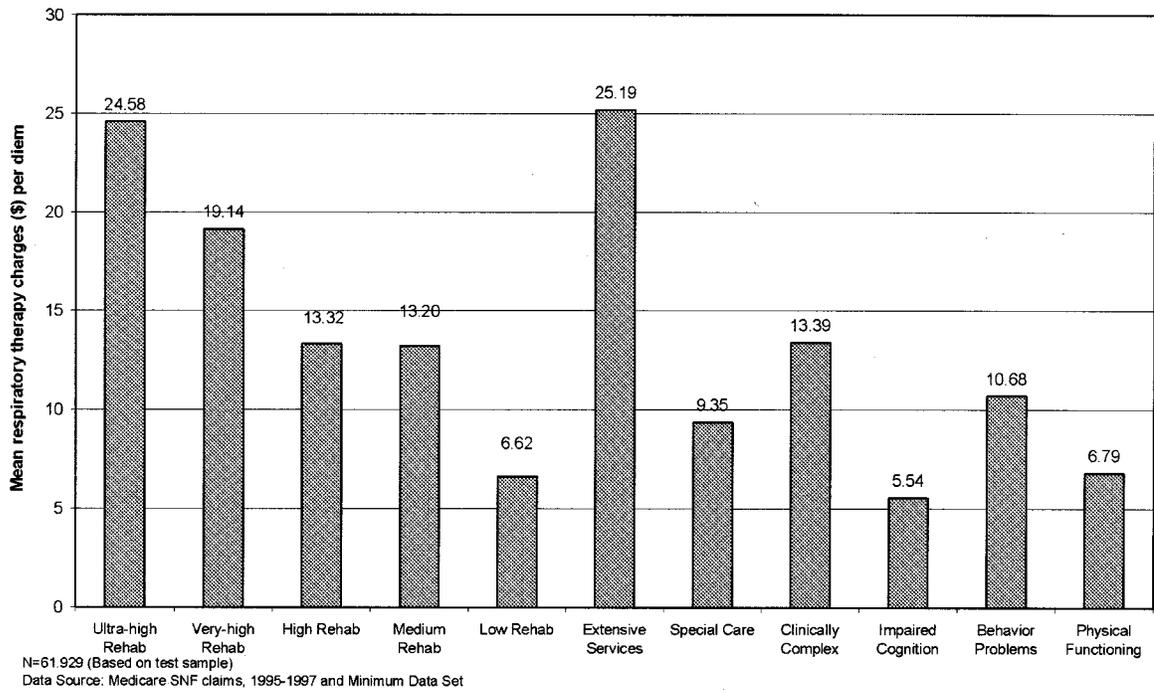
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Figure 1: Comparison of Estimated Drug Costs by RUG-III Category



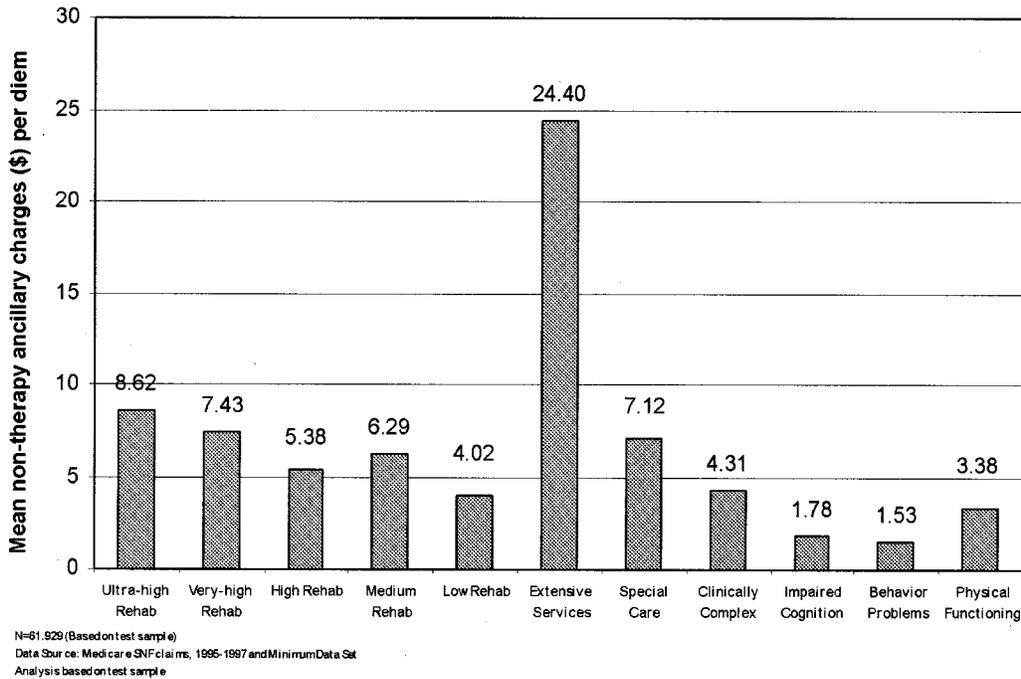
N=61,929 (Based on test sample)  
Data Source: Medicare SNF claims, 1995-1997 and Minimum Data Set

Figure 2: Comparison of Respiratory Therapy Costs by RUG-III Category



TOTAL TASKS

Figure 3: Comparison of Other Non-therapy Ancillary Costs by RUG-III Category



1. Costs for Beneficiaries Who Qualify for Both Extensive Services and Rehabilitation

As shown in Figures 4 through 7, across all three ancillary categories, costs were significantly higher for beneficiaries who qualified for both Extensive Services and Rehabilitation compared to those who qualify only for a Rehabilitation category. Therefore, we considered whether those qualifying for both categories should be separately identified.

- Across all five Rehabilitation categories, mean prescription drug costs were approximately double for beneficiaries who qualified for both Extensive Services and

Rehabilitation, compared to those who qualified only for Rehabilitation. (See Figure 4 for comparison of drug charges across all five Rehabilitation categories based on whether the beneficiary also qualified for Extensive Services.)

- A similar pattern was observed for respiratory therapy. Across all five rehabilitation categories, respiratory therapy costs were more than twice as high for beneficiaries who also qualified for Extensive Services as for those who qualified only for Rehabilitation (Figure 5).

- Other non-therapy ancillary costs were considerably higher for beneficiaries who qualified for both Rehabilitation and

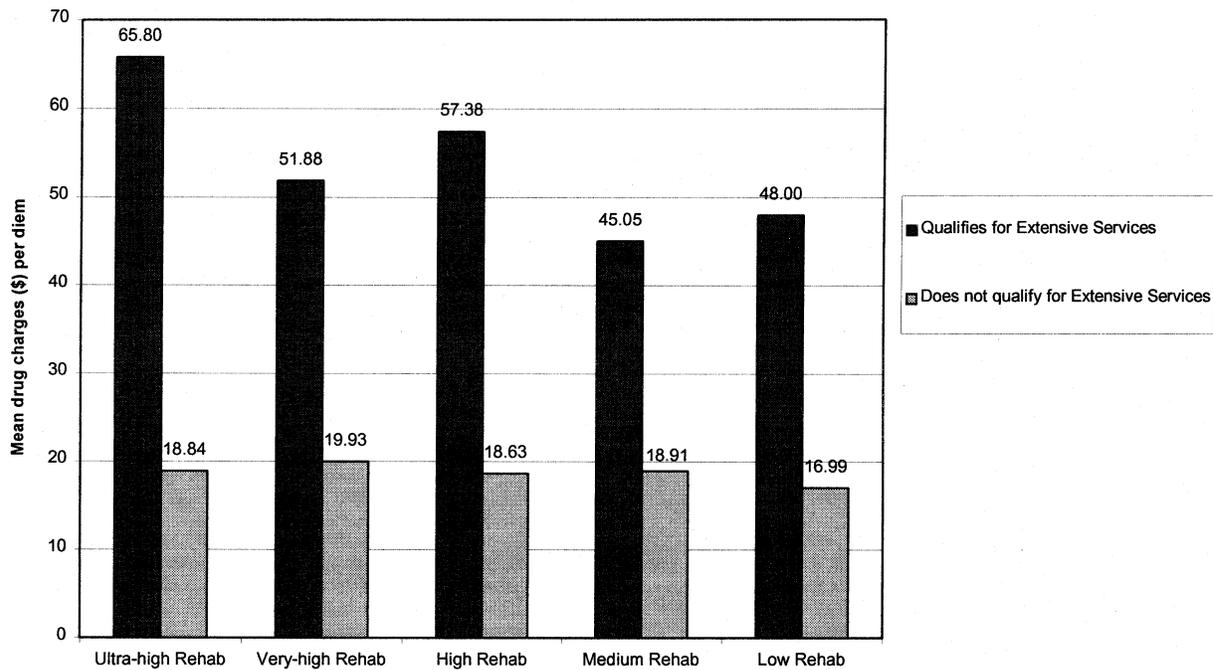
Extensive Services than for those who qualified for Rehabilitation but not Extensive Services (Figure 6).

- Total average ancillary charges for beneficiaries who qualified for both Rehabilitation and Extensive Services were also significantly higher than for those qualifying only for rehabilitation (Figure 7).

Based on these results, it makes sense, for statistical, incentive-related, and clinical reasons, to consider potential refinements which reflect the higher costs of beneficiaries in the Rehabilitation categories who also qualify for Extensive Services.

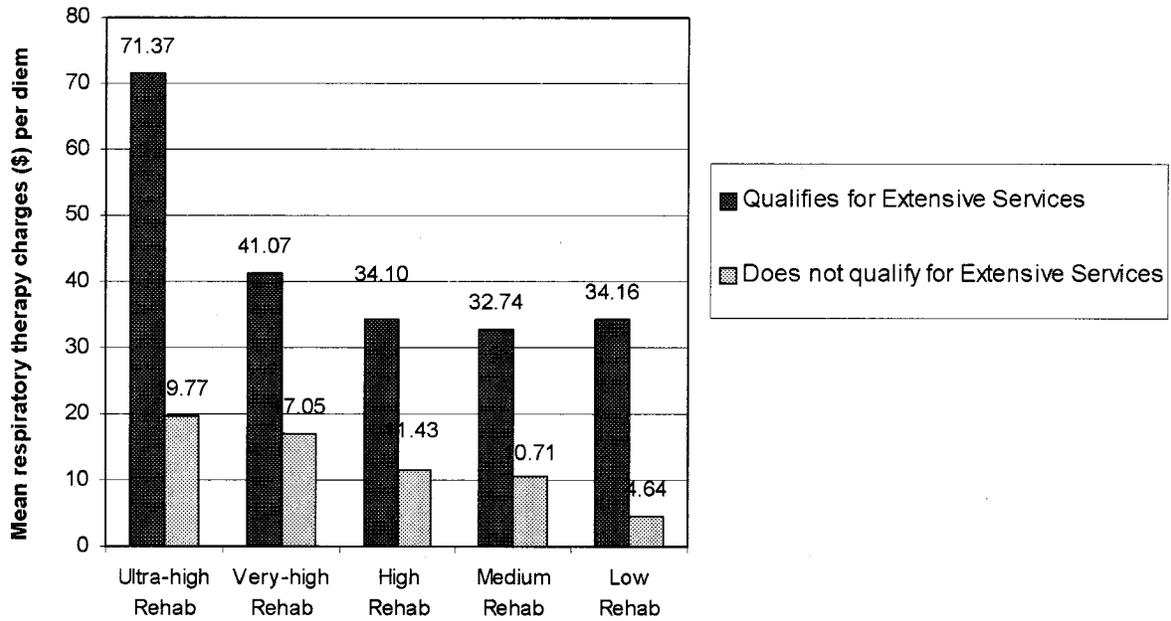
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**Figure 4: Comparison of Drug Costs for Rehabilitation Residents Based on Whether the Resident also Qualifies for Extensive Services**



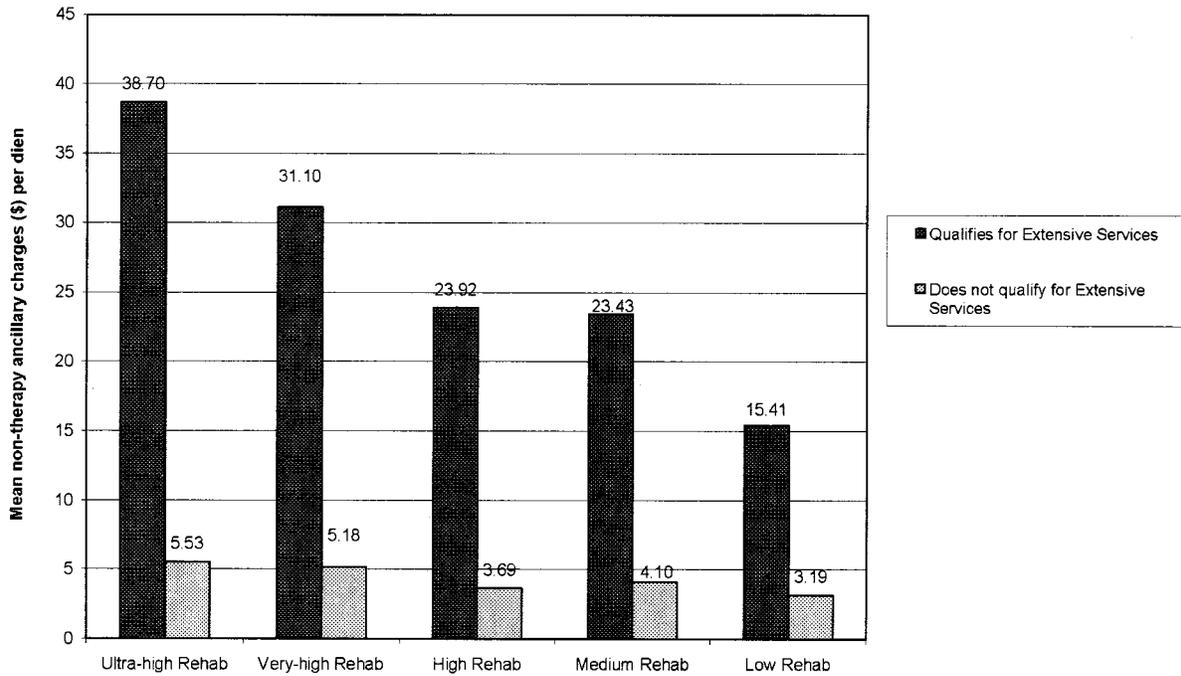
N=29,625 (Based on test sample residents in a RUG-III rehabilitation category)  
Data Source: Medicare SNF claims, 1995-1997 and Minimum Data Set

**Figure 5: Comparison of Respiratory Therapy Costs for Rehabilitation Residents Based on Whether the Resident also Qualifies for Extensive Services**



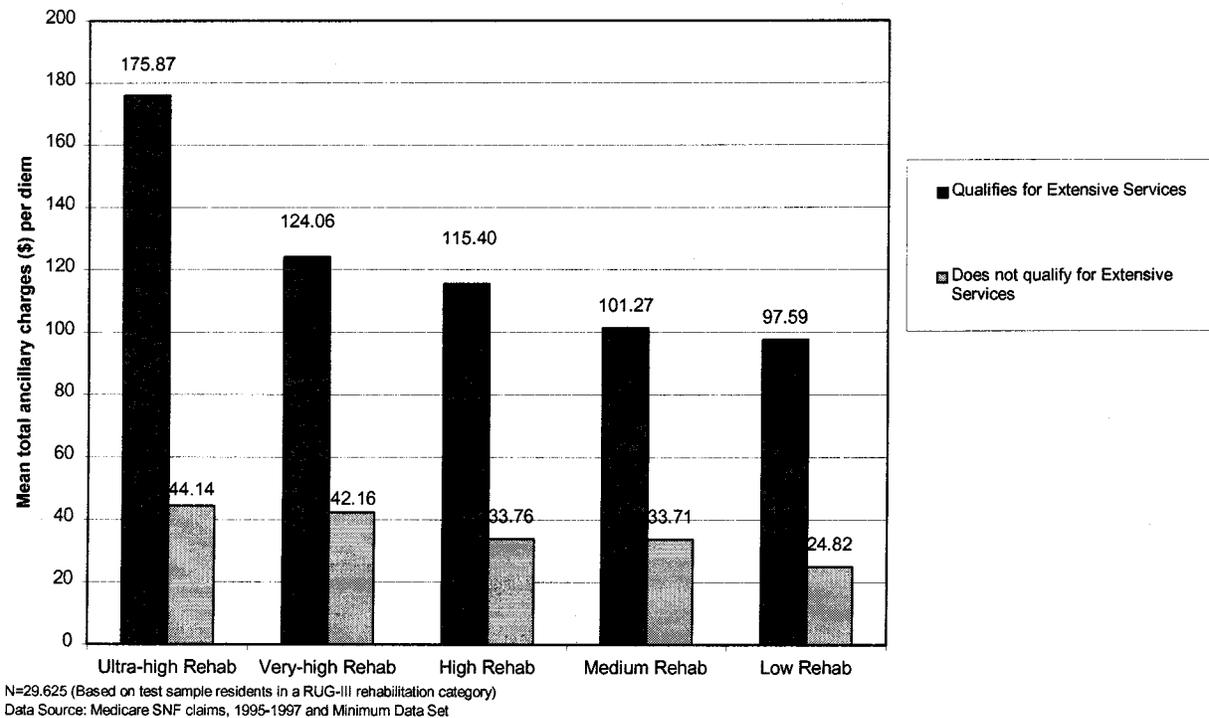
N=29,625 (Based on test sample residents in a RUG-III rehabilitation category)  
 Data Source: Medicare SNF claims, 1995-1997 and Minimum Data Set

**Figure 6: Comparison of Other Ancillary Costs for Rehabilitation Residents Based on Whether the Resident also Qualifies for Extensive Services**



N=29,625 (Based on test sample residents in a RUG-III rehabilitation category)  
 Data Source: Medicare SNF claims, 1995-1997 and Minimum Data Set

**Figure 7: Comparison of Total Ancillary Costs for Rehabilitation Residents Based on Whether the Resident also Qualifies for Extensive Services**



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These cost differences suggested that a potential refinement could be based on interactions between existing RUG-III categories. Such a change could be implemented in either of two ways:

- A new terminal split within the current RUG-III Rehabilitation groups based on whether the beneficiary also qualified for Extensive Services. These changes would be reflected in changes in the Case Mix Index (CMI) for nursing in calculating payments for the Rehabilitation categories.

- A new RUG-III category for beneficiaries who qualify for both Extensive Services and Rehabilitation. The new category (which could be called "Rehabilitation and Extensive Services") would be at the top of the hierarchical case-mix system.

#### 2. Non-Therapy Ancillary Index Models

In addition, variations in non-therapy ancillary costs could be addressed through several types of index model-based refinements. There are a number of ways that index model-based refinements can be implemented:

- The models can be based on an unweighted count of the number of index model variables present or on a weighted index that assigns a relative cost factor to each of the index model variables.
- The index models can differ with respect to the RUG-III categories to which the model is applied.
- The index models can differ with respect to the number of index groups that are used.
- The index models can also vary based on the thresholds used to define groups. For the weighted index model, beneficiaries were classified based on their predicted costs.

- The index model can be applied separately to each major category; that is, each level of the RUG-III hierarchy.

In our analysis of ancillary costs, the results did not indicate strong interaction effects. There were two implications of this finding. First, the variables effects were principally additive and models which develop indexes are indicated. Second, the appropriate approach was to use regression analysis to form indexes, rather than PC-Group to identify tree models. (It should be noted that PC-Group still has some unique capabilities, employed later, to help identify optimal thresholds for an index.)

One way an index model could be used is in an "add-on" system for predicting non-therapy ancillary charges. RUG-III could be used for predicting staff time costs and the non-therapy ancillary index would be "added-on" to determine the total payment rate for beneficiaries with given characteristics. The motivation for this approach is that RUG-III has been well tested and validated for predicting staff time costs, but was not designed to capture variance in non-therapy ancillary charges. Although such a system can be described as consisting of two components, it could easily be implemented as an integrated system, as though the non-therapy ancillary component defined a new set of end-splits to RUG-III.

The index model approach allowed for a large number of items to be considered simultaneously in determining payment rates, including additional measures of severity that are not reflected in RUG-III. We designed both weighted and unweighted versions of a non-therapy ancillary index for each level of the RUG-III hierarchy, and showed that both versions resulted in large

improvements in the proportion of the variance predicted by the case-mix system and some improvement in the system's ability to identify high-cost beneficiaries. The weighted version allowed items that predict much higher costs (such as receipt of IV medications) to have more impact on predicted costs than less-influential items such as shortness of breath. For this study, the weights were assigned by the researchers based on a combination of expert opinion and a comparison of cost data for the various MDS items. The weighted index model exhibited enhanced explanatory power, but at the cost of additional complexity and subjectivity.

#### F. Model Performance

We tested a number of potential refinements, but selected only the most powerful alternative from each type for presentation here. The most promising types of potential refinements are summarized in Table 2, and discussed below.

1. *RUG-III CMI Adjustment*: This potential refinement improved the ability of the case-mix system to capture variance in ancillary and total costs. Changes to the CMI alone (that is, changes to the payment rates associated with different groups but no changes to the case-mix system) will reduce the proportion of beneficiaries for whom costs are greater than payment, but will not affect the proportion of variance in costs captured by the case-mix system. The current RUG-III methodology accounted for about 6 percent of the variance in ancillary charges and 11 percent of the variance in total costs (See Table 2).

TABLE 2.—STATISTICAL PERFORMANCE OF POTENTIAL RUG—III REFINEMENTS—MODEL DESCRIPTION

Model description	Number of groups	R-squared validation sample (test sample)		Min/Max $\delta$	Specificity and sensitivity analyses validation sample	
		Ancillary charges (percent)	Total costs (percent)		Specificity $\star$ (percent)	Sensitivity $\blacklozenge$
RUG—III—(CMI changes only) .....	44 .....	5.9 (6.5)	11.0 (11.2)	111/239	91.7	26.1%
RUG III (version 2001) RUG—III with new category “Extensive Services and Rehabilitation”.	58 .....	7.8 (8.3)	13.7 (13.7)	116/355	91.5	27.8
WIM 1—Weighted index model applied to Extensive Services (includes new category “Extensive Services and Rehabilitation”).	58 plus a six-group ancillary add-on system.	11.2 (12.5)	16.8 (17.6)	114/458	91.5	31.7%
WIM 2—Weighted index model applied to Extensive Services beneficiaries (includes new category “Extensive Services and Rehabilitation”) and to Rehabilitation, Special Care, and Clinically Complex.	58 plus a six-group ancillary add-on system.	13.4 (14.2)	19.0 (19.4)	111/456	92.3	32.2%
UWIM—Unweighted index model applied to Extensive Services (includes new category “Extensive Services and Rehabilitation”) and to Rehabilitation, Special Care, and Clinically Complex.	58 plus a four-group ancillary add-on system.	10.9 (12.6)	17.1 (18.0)	104/447	92.0	30.8%

Notes:

$\blacktriangle$ : Predicted total costs for the lowest and highest reimbursed groups in the refined case mix system.

$\dagger$ : Note that all index model-based refinements also include the “Extensive Services and Rehabilitation” category.

$\star$ : Specificity is measured as the proportion of beneficiaries who are not in the top 10 percent of predicted ancillary charges and also not in the top 10 percent in terms of actual ancillary charges.

$\blacklozenge$ : Sensitivity is measured as the proportion of beneficiaries in the top 10 percent in terms of both predicted and actual ancillary charges.

Data sources: Medicare claims, Minimum Data Set 1995–1997.

2. RUG—III (proposed, version 2001): Adding the new Extensive Services and Rehabilitation categories resulted in small improvements in statistical performance. The validation sample R-squared increased to 7.8 percent for ancillary charges, an increase of about 2 percent relative to RUG—III, and to 13.7 percent for total costs. However, the improvements associated solely with a change in the RUG—III (proposed, version 2001) methodology were substantially less than those produced by the other potential refinements that incorporated a combination of RUG—III and index model-based refinements.

In conducting this analysis, new CMIs had to be constructed. For this research, the CMIs were developed from the same 1995 through 1997 staff time measurement studies that were used to construct the indices used under the current RUG—III methodology. (See Table 3)

3. Weighted Index Model (WIM1): Under WIM1, Extensive Services beneficiaries (including those in the new Extensive

Services and Rehabilitation categories) would receive an ancillary “add-on” based on the beneficiary’s predicted, per diem ancillary costs for the index model qualifiers. The ancillary index has 6 groups with break points at costs at the 50th percentile or below, from the 51st through 75th percentile, from the 76th through 90th percentile, from the 91st through 95th percentile, from the 96th through 98th percentile, and the 99th percentile. The break points were calculated separately for each level of the RUG—III hierarchy.

Application of WIM1 resulted in some improvement relative to RUG—III (proposed, version 2001). For the validation sample, the model accounted for 11 percent of the variance in ancillary charges and 17 percent of the variance in total costs. Nearly 32 percent of beneficiaries in the top 10 percent of ancillary charges were also in the top 10 percent in terms of predicted costs, compared to 27.8 percent for RUG—III (proposed, version 2001).

4. Weighted Index Model 2 (WIM2): Model WIM2 extends the use of the non-therapy ancillary index to 40 RUG—III (proposed, version 2001) groups (14 Rehabilitation/Extensive Services, 3 Extensive Services, 14 Rehabilitation, 3 Special Care and 6 Clinically Complex groups), and accounted for 19 percent of the variance in total costs and 13 percent of the variance in ancillary charges. This was more than twice the R-squared of the existing RUG—III or the proposed RUG—III (version 2001) alone. The range of payments was similar to that of WIM1. Using WIM2, 32 percent of beneficiaries in the top 10 percent in terms of actual ancillary charges were also in the top 10 percent in terms of predicted ancillary charges.

Table 4 shows the distribution of Medicare beneficiaries in the 6 non-therapy ancillary index levels by RUG—III (proposed version 2001) category. The cut-off points used to define these groups are the same as for WIM1.

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Table 3 -- Mean Resident and Non-Resident Specific Minutes for Nursing and Therapy Disciplines by RUG-III+ Group

<u>RUG-III Group**</u>	<u>RUG-III Group Name</u>	<u>Number of Residents</u>	<u>Total LPN Minutes/Day</u>	<u>LPN Resident Specific Minutes/Day</u>	<u>LPN Non-Resident Specific Min/Day***</u>
1	RUC+SE	9	84.89	61.44	23.44
2	RUB+SE	20	56.55	37.85	18.70
3	RUA+SE	1	112.00	90.00	22.00
4	RVC+SE	7	56.29	35.00	21.29
5	RVB+SE	17	40.41	20.88	19.53
6	RVA+SE	7	73.14	55.71	17.43
7	RHC+SE	26	48.69	26.31	22.38
8	RHB+SE	16	69.00	49.56	19.44
9*	RHA+SE				
10	RMC+SE	45	91.36	62.76	28.60
11	RMB+SE	31	62.68	39.06	23.61
12*	RMA+SE				
13	RLB+SE	5	59.00	31.60	27.40
14	RLA+SE	3	48.67	0.00	48.67
15	RUC	36	46.03	29.44	16.58
16	RUB	192	34.94	21.33	13.61
17	RUA	81	39.49	22.60	16.89
18	RVC	29	50.21	29.34	20.86
19	RVB	105	42.54	26.96	15.58
20	RVA	80	26.53	15.26	11.26
21	RHC	54	45.04	28.24	16.80
22	RHB	94	34.80	21.33	13.47
23	RHA	41	27.51	16.78	10.73
24	RMC	74	49.35	30.93	18.42
25	RMB	179	38.05	22.82	15.22
26	RMC	74	34.41	19.92	14.49
27	RLB	21	46.52	24.14	22.38
28	RLA	56	33.02	18.66	14.36
29	SE3	70	101.33	70.47	30.86
30	SE2	233	86.06	56.97	29.09
31	SE1	19	57.68	33.79	23.89

Total RN Minutes/ Day	RN Resident Specific Minutes/Day	RN Non-Resident Specific Min/Day***
160.67	106.67	54.00
132.85	82.55	50.30
29.00	21.00	8.00
83.43	47.14	36.29
156.47	95.16	61.30
131.43	83.71	47.72
130.42	82.04	48.39
117.25	65.38	51.88
162.00	103.24	58.78
166.61	97.16	69.45
119.60	51.20	68.40
112.33	41.00	71.33
100.75	56.89	43.86
84.12	48.07	36.05
64.98	36.77	28.21
93.31	53.52	39.79
85.90	46.53	39.36
72.04	37.78	34.26
94.85	52.89	41.96
100.85	57.97	42.88
89.76	49.66	40.07
78.01	46.20	31.81
88.69	47.96	40.71
94.18	54.23	39.92
69.38	37.76	31.62
60.68	29.36	31.52
143.56	91.31	52.24
106.52	67.31	41.21
80.79	48.05	32.74

Total Nurse Aide Minutes/ Day	Nurse Aide Resident Specific Minutes/Day	Nurse Aide Non-Resident Specific Minutes/Day***
200.67	111.67	89.00
134.30	79.45	54.85
140.00	84.00	56.00
176.43	107.14	69.29
129.35	74.24	55.12
151.29	85.43	65.86
155.39	93.81	61.58
127.00	75.83	51.38
195.76	126.51	69.25
147.07	85.03	62.03
169.80	110.40	59.40
70.67	22.87	48.00
174.86	108.39	66.47
123.13	73.78	49.35
97.91	54.10	43.82
163.59	102.55	61.03
138.37	84.77	53.60
103.49	52.78	50.71
166.48	103.70	62.78
130.40	73.39	57.01
102.59	51.17	51.41
172.16	107.78	64.38
140.23	78.54	61.69
116.64	59.65	56.99
196.33	122.67	73.67
124.29	71.11	53.18
193.50	124.09	69.41
163.64	105.15	58.40
191.79	128.68	63.11

Table 3 -- Mean Resident and Non-Resident Specific Minutes for Nursing and Therapy Disciplines by RUG-III+ Group (cont.)

<u>Total Nursing Minutes/Day</u>	<u>Total Nursing Resident Specific Minutes/Day</u>	<u>Total Nursing Resident Non-Specific Minutes/Day***</u>	<u>PT Resident Specific Minutes/Day</u>	<u>PT Asst Resident Specific Minutes/Day</u>
446.22	279.67	166.56	11.78	19.78
323.55	199.50	124.05	27.60	18.85
281.00	195.00	86.00	35.00	9.00
316.29	189.00	127.29	20.57	3.57
326.29	190.18	136.12	14.59	13.94
355.71	224.71	131.00	12.14	10.29
334.50	202.04	132.46	13.77	5.85
313.44	190.25	123.19	17.69	10.81
449.04	292.38	156.67	8.16	4.22
376.32	220.77	155.55	15.71	6.32
348.60	192.80	155.80	5.80	1.00
231.00	96.00	135.00	26.67	20.67
321.64	194.53	127.11	19.81	19.33
242.14	140.94	101.20	27.89	16.36
202.35	113.25	89.10	22.80	16.85
307.21	185.14	122.07	11.10	8.10
266.87	157.95	108.92	18.78	10.82
202.06	105.53	96.54	16.46	14.19
306.33	184.54	121.80	14.52	8.72
266.12	152.42	113.70	15.30	12.43
219.83	117.34	102.49	16.17	13.44
299.51	184.70	114.81	13.45	6.55
266.95	149.08	117.87	13.45	9.36
245.15	133.61	111.54	14.72	8.45
312.14	184.52	127.62	5.38	3.81
218.25	118.93	99.32	11.91	5.95
438.29	285.63	152.66	2.19	0.43
358.10	229.17	128.93	1.39	0.27
329.95	210.26	119.68	0.00	0.00

In the Regulatory Impact Analysis, we showed the distributional impact of these case mix refinements using the UWIM model proposed in this rule. Table 6 shows the distributional shifts of beneficiaries between the existing RUG-III model and the WIM2 Option. In addition, Tables 6.1 and 6.2 show the projected rates using the WIM2 model. (See Table 12 in the Proposed rule for the UWIM model.)

5. Unweighted Index Model (UWIM): This model is the unweighted counterpart to WIM2. While this model performed better than the current RUG-III and proposed RUG-III (version 2001) models, it was slightly outperformed by WIM2. However, we regard the unweighted model as preferable to WIM2, for two reasons. First, it is relatively simple,

and employs a more familiar methodology similar to that used in classifying beneficiaries into the Extensive Services groups. Second, in developing the weighted models, the researchers had to rely more heavily on imputed data to develop the number of index levels, and the cut-off points. Therefore, even though the WIM models appear to have slightly more predictive power, they are based upon more subjective criteria. However, the WIM models are subject to additional testing using the full PPS data base, and, based on the results, this model may be reconsidered.

UWIM accounted for 11 percent of the variance in ancillary charges and 17 percent of the variance in total costs. The sensitivity and specificity of the model were slightly

less than for WIM2. Using UWIM, beneficiaries are split into four groups based on the number of index model variables present.

Number of qualifiers	Ancillary level
0 .....	2
1-2 .....	3
3-5 .....	4
6 or more .....	5

Table 5 shows the distribution of Medicare beneficiaries in the 4 non-therapy ancillary index levels by RUG-III (proposed, version 2001) category.

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**Table 4: Ancillary Costs for the WIM -2 model**

UWIM category	Index value	N	Mean	Std Dev
Extensive Services and Ultra-high rehabilitation	A	44	\$373.17	\$219.12
	B	144	\$251.90	\$222.56
	C	100	\$145.76	\$178.46
	D	203	\$96.96	\$156.52
Extensive Services and Very-high rehabilitation	A	21	\$264.43	\$265.28
	B	139	\$193.93	\$215.39
	C	82	\$100.09	\$110.60
	D	197	\$71.04	\$132.08
Extensive Services and High rehabilitation	A	22	\$255.12	\$275.27
	B	111	\$176.47	\$201.53
	C	69	\$85.08	\$115.60
	D	170	\$70.77	\$140.72
	E	2	\$77.96	\$62.84
Extensive Services and Medium-high rehabilitation	A	105	\$244.00	\$230.21
	B	364	\$158.97	\$191.61
	C	329	\$90.82	\$132.19
	D	715	\$56.82	\$96.35
	E	3	\$26.54	\$4.68
	F	2	\$15.52	\$21.95
Extensive Services and Low rehabilitation	A	1	\$165.37	
	B	15	\$199.05	\$246.09
	C	22	\$68.78	\$110.57
	D	37	\$71.75	\$139.60
Ultra-high rehabilitation	A	3	\$226.29	\$43.38
	B	7	\$331.89	\$330.38
	C	65	\$143.43	\$135.78
	D	409	\$103.47	\$104.59
	E	1586	\$46.32	\$77.92
	F	2704	\$30.75	\$57.84
Very high rehabilitation	A	1	\$487.34	
	B	9	\$269.17	\$205.85
	C	75	\$134.76	\$113.26
	D	446	\$102.17	\$123.40
	E	1552	\$40.51	\$70.95
	F	2526	\$27.95	\$54.91
High rehabilitation	B	10	\$235.35	\$230.47
	C	68	\$82.56	\$114.13
	D	404	\$86.93	\$125.13
	E	1281	\$33.03	\$58.37
	F	2366	\$22.45	\$40.82
	Medium rehabilitation	A	3	\$345.68
B		27	\$138.10	\$206.93
C		194	\$122.65	\$127.15
D		1221	\$71.74	\$92.00
E		3867	\$33.99	\$57.70
F		6572	\$23.17	\$42.59
Low rehabilitation	A	1	\$119.11	
	B	2	\$120.58	\$144.20
	C	18	\$67.05	\$66.12
	D	126	\$47.61	\$76.52
	E	320	\$23.60	\$31.37
	F	565	\$18.72	\$26.58
Extensive Services	A	392	\$234.65	\$238.69
	B	1486	\$124.09	\$172.45
	C	1342	\$79.62	\$128.69
	D	1932	\$65.16	\$112.79
	E	79	\$40.40	\$55.35
	F	44	\$40.67	\$86.90
Special Care	A	12	\$118.75	\$165.66
	B	143	\$122.50	\$175.16
	C	491	\$71.86	\$104.30
	D	2158	\$63.88	\$95.86
	E	6129	\$32.71	\$56.66
	F	4045	\$26.23	\$48.66
Clinically complex	C	134	\$94.91	\$125.47
	D	1461	\$69.99	\$101.97
	E	1904	\$38.72	\$70.08
	F	4332	\$25.66	\$48.81
Impaired cognition	N/A	1016	\$22.14	\$44.91
Behavior problems	N/A	126	\$27.86	\$60.17

**Table 5.: Ancillary Costs for the UWIM model**

<b>UWIM category</b>	<b>Index value</b>	<b>N</b>	<b>Mean</b>	<b>Std Dev</b>
Extensive Services and Ultra-high rehabilitation	5	23	\$440.86	\$221.53
	4	179	\$250.41	\$221.34
	3	294	\$109.75	\$160.61
Extensive Services and Very-high rehabilitation	5	7	\$434.36	\$260.65
	4	172	\$164.67	\$194.10
	3	267	\$89.76	\$148.70
Extensive Services and High rehabilitation	5	13	\$215.16	\$274.93
	4	128	\$174.02	\$192.56
	3	238	\$78.42	\$146.35
Extensive Services and Medium-high rehabilitation	5	46	\$254.30	\$232.45
	4	518	\$154.70	\$186.87
	3	964	\$65.44	\$111.17
	2	2	\$15.52	\$21.95
Extensive Services and Low rehabilitation	4	16	\$129.90	\$193.26
	3	59	\$88.83	\$156.84
Ultra-high rehabilitation	5	2	\$78.99	\$2.28
	4	200	\$97.85	\$113.29
	3	1895	\$57.80	\$90.04
	2	2728	\$30.69	\$57.68
Very high rehabilitation	5	1	\$80.60	
	4	178	\$111.98	\$123.99
	3	1931	\$54.19	\$90.76
	2	2565	\$28.24	\$55.85
High rehabilitation	4	136	\$86.92	\$129.49
	3	1648	\$45.41	\$82.24
	2	2385	\$22.68	\$41.35
Medium rehabilitation	4	434	\$95.32	\$121.86
	3	4925	\$42.37	\$69.89
	2	6634	\$23.25	\$42.80
Low rehabilitation	4	37	\$59.55	\$76.75
	3	432	\$29.99	\$48.14
	2	568	\$18.64	\$26.52
Extensive Services	5	171	\$213.62	\$219.82
	4	2012	\$125.24	\$172.80
	3	3283	\$71.86	\$126.72
	2	58	\$45.61	\$89.51
Special Care	5	2	\$48.76	\$13.44
	4	1202	\$68.90	\$103.25
	3	8093	\$40.98	\$73.66
	2	4211	\$26.48	\$48.98
Clinically complex	4	189	\$97.38	\$125.70
	3	3398	\$51.88	\$86.31
	2	4499	\$26.19	\$50.48
Impaired cognition	1	1016	\$22.14	\$44.91
Behavior problems	1	126	\$27.86	\$60.17
Reduced physical functioning	1	3986	\$28.11	\$57.93

N= 61,871 (58 records could not be used to calculate the UWIM Ancillary Index level)

Data sources: Medicare MDS and SNF Claims Data 1995-1997

**Table 6**  
**Distributional Shifts of Beneficiaries**  
**Between Existing RUG-III Model and the WIM2 Option**

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RUC+SE		A	26
RUC+SE		B	68
RUC+SE		C	47
RUC+SE		D	42
RUC+SE		E	
RUC+SE		F	
RUB+SE		A	18
RUB+SE		B	70
RUB+SE		C	48
RUB+SE		D	145
RUB+SE		E	
RUB+SE		F	
RUA+SE		A	
RUA+SE		B	6
RUA+SE		C	5
RUA+SE		D	16
RUA+SE		E	
RUA+SE		F	
RVC+SE		A	10
RVC+SE		B	66
RVC+SE		C	32

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RVC+SE		D	52
RVC+SE		E	
RVC+SE		F	
RVB+SE		A	11
RVB+SE		B	64
RVB+SE		C	47
RVB+SE		D	126
RVB+SE		E	
RVB+SE		F	
RVA+SE		A	
RVA+SE		B	9
RVA+SE		C	3
RVA+SE		D	19
RVA+SE		E	
RVA+SE		F	
RHC+SE		A	17
RHC+SE		B	81
RHC+SE		C	49
RHC+SE		D	96
RHC+SE		E	1
RHC+SE		F	
RHB+SE		A	5
RHB+SE		B	30

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RHB+SE		C	20
RHB+SE		D	73
RHB+SE		E	1
RHB+SE		F	
RHA+SE		A	
RHA+SE		B	
RHA+SE		C	
RHA+SE		D	1
RHA+SE		E	
RHA+SE		F	
RMC+SE		A	84
RMC+SE		B	242
RMC+SE		C	180
RMC+SE		D	243
RMC+SE		E	
RMC+SE		F	
RMB+SE		A	21
RMB+SE		B	120
RMB+SE		C	149
RMB+SE		D	458
RMB+SE		E	3
RMB+SE		F	2
RMA+SE		A	

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RMA+SE		B	2
RMA+SE		C	
RMA+SE		D	14
RMA+SE		E	
RMA+SE		F	
RLB+SE		A	
RLB+SE		B	14
RLB+SE		C	11
RLB+SE		D	15
RLB+SE		E	
RLB+SE		F	
RLA+SE		A	1
RLA+SE		B	1
RLA+SE		C	11
RLA+SE		D	22
RLA+SE		E	
RLA+SE		F	
RUC	971	A	
RUC		B	1
RUC		C	13
RUC		D	85
RUC		E	388
RUC		F	301

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RUB	3072	A	
RUB		B	
RUB		C	32
RUB		D	206
RUB		E	966
RUB		F	1587
RUA	1222	A	3
RUA		B	6
RUA		C	20
RUA		D	118
RUA		E	232
RUA		F	816
RVC	853	A	
RVC		B	2
RVC		C	10
RVC		D	70
RVC		E	320
RVC		F	291
RVB	2812	A	
RVB		B	2
RVB		C	37
RVB		D	212
RVB		E	919
RVB		F	1394

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RVA	1383	A	1
RVA		B	5
RVA		C	28
RVA		D	164
RVA		E	313
RVA		F	841
RHC	1808	A	
RHC		B	
RHC		C	23
RHC		D	119
RHC		E	651
RHC		F	771
RHB	1795	A	
RHB		B	
RHB		C	25
RHB		D	155
RHB		E	459
RHB		F	1027
RHA	900	A	
RHA		B	10
RHA		C	20
RHA		D	130
RHA		E	171

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RHA		F	568
RMC	3834	A	
RMC		B	3
RMC		C	57
RMC		D	325
RMC		E	1418
RMC		F	1282
RMB	7142	A	
RMB		B	1
RMB		C	84
RMB		D	564
RMB		E	1993
RMB		F	3747
RMA	2426	A	3
RMA		B	23
RMA		C	53
RMA		D	332
RMA		E	456
RMA		F	1543
RLB	404	A	
RLB		B	1
RLB		C	5
RLB		D	38

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
RLB		E	155
RLB		F	165
RLA	703	A	1
RLA		B	1
RLA		C	13
RLA		D	88
RLA		E	165
RLA		F	400
SE3	2059	A	239
SE3		B	785
SE3		C	555
SE3		D	480
SE3		E	
SE3		F	
SE2	2944	A	146
SE2		B	683
SE2		C	714
SE2		D	1297
SE2		E	72
SE2		F	32
SE1	272	A	7
SE1		B	18
SE1		C	73

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
SE1		D	155
SE1		E	7
SE1		F	12
SSC	3129	A	
SSC		B	11
SSC		C	92
SSC		D	458
SSC		E	1738
SSC		F	830
SSB	3598	A	
SSB		B	5
SSB		C	93
SSB		D	509
SSB		E	1923
SSB		F	1068
SSA	6251	A	12
SSA		B	127
SSA		C	306
SSA		D	1191
SSA		E	2468
SSA		F	2147
CC2	58	A	
CC2		B	

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
CC2		C	
CC2		D	14
CC2		E	15
CC2		F	29
CC1	309	A	
CC1		B	
CC1		C	6
CC1		D	61
CC1		E	121
CC1		F	121
CB2	262	A	
CB2		B	
CB2		C	7
CB2		D	49
CB2		E	56
CB2		F	150
CB1	1423	A	
CB1		B	
CB1		C	20
CB1		D	258
CB1		E	374
CB1		F	771
CA2	802	A	

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
CA2		B	
CA2		C	18
CA2		D	182
CA2		E	137
CA2		F	465
CA1	4977	A	
CA1		B	
CA1		C	83
CA1		D	897
CA1		E	1201
CA1		F	2796
IB2	60		60
IB1	565		565
IA2	12		12
IA1	379		379
BB2	1		1
BB1	52		52
BA2	2		2

RUG III Category	Existing RUG-III	Ancillary Index	WIM 2
BA1	71		71
PE2	41		41
PE1	401		401
PD2	119		119
PD1	1184		1184
PC2	33		33
PC1	342		342
PB2	39		39
PB1	602		602
PA2	40		40
PA1	1185		1185



RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
KBA	1.44	6.33	1.41	\$92.87	\$313.02	\$120.96		\$58.25	\$585.10
KBB	1.44	4.25	1.41	\$92.87	\$210.16	\$120.96		\$58.25	\$482.24
KBC	1.44	2.28	1.41	\$92.87	\$112.75	\$120.96		\$58.25	\$384.83
KBD	1.44	1.54	1.41	\$92.87	\$76.15	\$120.96		\$58.25	\$348.23
KBE	1.44	1.08	1.41	\$92.87	\$53.41	\$120.96		\$58.25	\$325.49
KBF	1.44	0.36	1.41	\$92.87	\$17.80	\$120.96		\$58.25	\$289.88
KCA	1.20	6.33	1.41	\$77.39	\$313.02	\$120.96		\$58.25	\$569.62
KCB	1.20	4.25	1.41	\$77.39	\$210.16	\$120.96		\$58.25	\$466.76
KCC	1.20	2.28	1.41	\$77.39	\$112.75	\$120.96		\$58.25	\$369.35
KCD	1.20	1.54	1.41	\$77.39	\$76.15	\$120.96		\$58.25	\$332.75
KCE	1.20	1.08	1.41	\$77.39	\$53.41	\$120.96		\$58.25	\$310.01
KCF	1.20	0.36	1.41	\$77.39	\$17.80	\$120.96		\$58.25	\$274.40
LAA	1.53	6.33	0.94	\$98.67	\$313.02	\$80.64		\$58.25	\$550.58
LAB	1.53	4.25	0.94	\$98.67	\$210.16	\$80.64		\$58.25	\$447.72
LAC	1.53	2.28	0.94	\$98.67	\$112.75	\$80.64		\$58.25	\$350.31
LAD	1.53	1.54	0.94	\$98.67	\$76.15	\$80.64		\$58.25	\$313.71
LAE	1.53	1.08	0.94	\$98.67	\$53.41	\$80.64		\$58.25	\$290.97
LAF	1.53	0.36	0.94	\$98.67	\$17.80	\$80.64		\$58.25	\$255.36
LBA	1.45	6.33	0.94	\$93.51	\$313.02	\$80.64		\$58.25	\$545.42
LBB	1.45	4.25	0.94	\$93.51	\$210.16	\$80.64		\$58.25	\$442.56
LBC	1.45	2.28	0.94	\$93.51	\$112.75	\$80.64		\$58.25	\$345.15
LBD	1.45	1.54	0.94	\$93.51	\$76.15	\$80.64		\$58.25	\$308.55
LBE	1.45	1.08	0.94	\$93.51	\$53.41	\$80.64		\$58.25	\$285.81
LBF	1.45	0.36	0.94	\$93.51	\$17.80	\$80.64		\$58.25	\$250.20
LCA	1.23	6.33	0.94	\$79.32	\$313.02	\$80.64		\$58.25	\$531.23
LCB	1.23	4.25	0.94	\$79.32	\$210.16	\$80.64		\$58.25	\$428.37

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
LCC	1.23	2.28	0.94	\$79.32	\$112.75	\$80.64		\$58.25	\$330.96
LCD	1.23	1.54	0.94	\$79.32	\$76.15	\$80.64		\$58.25	\$294.36
LCE	1.23	1.08	0.94	\$79.32	\$53.41	\$80.64		\$58.25	\$271.62
LCF	1.23	0.36	0.94	\$79.32	\$17.80	\$80.64		\$58.25	\$236.01
MAA	1.66	6.33	0.77	\$107.05	\$313.02	\$66.06		\$58.25	\$544.38
MAB	1.66	4.25	0.77	\$107.05	\$210.16	\$66.06		\$58.25	\$441.52
MAC	1.66	2.28	0.77	\$107.05	\$112.75	\$66.06		\$58.25	\$344.11
MAD	1.66	1.54	0.77	\$107.05	\$76.15	\$66.06		\$58.25	\$307.51
MAE	1.66	1.08	0.77	\$107.05	\$53.41	\$66.06		\$58.25	\$284.77
MAF	1.66	0.36	0.77	\$107.05	\$17.80	\$66.06		\$58.25	\$249.16
MBA	1.47	6.33	0.77	\$94.80	\$313.02	\$66.06		\$58.25	\$532.13
MBB	1.47	4.25	0.77	\$94.80	\$210.16	\$66.06		\$58.25	\$429.27
MBC	1.47	2.28	0.77	\$94.80	\$112.75	\$66.06		\$58.25	\$331.86
MBD	1.47	1.54	0.77	\$94.80	\$76.15	\$66.06		\$58.25	\$295.26
MBE	1.47	1.08	0.77	\$94.80	\$53.41	\$66.06		\$58.25	\$272.52
MBF	1.47	0.36	0.77	\$94.80	\$17.80	\$66.06		\$58.25	\$236.91
MCA	1.43	6.33	0.77	\$92.22	\$313.02	\$66.06		\$58.25	\$529.55
MCB	1.43	4.25	0.77	\$92.22	\$210.16	\$66.06		\$58.25	\$426.69
MCC	1.43	2.28	0.77	\$92.22	\$112.75	\$66.06		\$58.25	\$329.28
MCD	1.43	1.54	0.77	\$92.22	\$76.15	\$66.06		\$58.25	\$292.68
MCE	1.43	1.08	0.77	\$92.22	\$53.41	\$66.06		\$58.25	\$269.94
MCF	1.43	0.36	0.77	\$92.22	\$17.80	\$66.06		\$58.25	\$234.33
NAA	1.52	6.33	0.43	\$98.02	\$313.02	\$36.89		\$58.25	\$506.18
NAB	1.52	4.25	0.43	\$98.02	\$210.16	\$36.89		\$58.25	\$403.32
NAC	1.52	2.28	0.43	\$98.02	\$112.75	\$36.89		\$58.25	\$305.91
NAD	1.52	1.54	0.43	\$98.02	\$76.15	\$36.89		\$58.25	\$269.31

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
NAE	1.52	1.08	0.43	\$98.02	\$53.41	\$36.89		\$58.25	\$246.57
NAF	1.52	0.36	0.43	\$98.02	\$17.80	\$36.89		\$58.25	\$210.96
NBA	1.26	6.33	0.43	\$81.26	\$313.02	\$36.89		\$58.25	\$489.42
NBB	1.26	4.25	0.43	\$81.26	\$210.16	\$36.89		\$58.25	\$386.56
NBC	1.26	2.28	0.43	\$81.26	\$112.75	\$36.89		\$58.25	\$289.15
NBD	1.26	1.54	0.43	\$81.26	\$76.15	\$36.89		\$58.25	\$252.55
NBE	1.26	1.08	0.43	\$81.26	\$53.41	\$36.89		\$58.25	\$229.81
NBF	1.26	0.36	0.43	\$81.26	\$17.80	\$36.89		\$58.25	\$194.20
UAA	1.21	6.65	2.25	\$78.03	\$328.84	\$193.03		\$58.25	\$658.15
UAB	1.21	4.61	2.25	\$78.03	\$227.96	\$193.03		\$58.25	\$557.27
UAC	1.21	2.73	2.25	\$78.03	\$135.00	\$193.03		\$58.25	\$464.31
UAD	1.21	1.9	2.25	\$78.03	\$93.96	\$193.03		\$58.25	\$423.27
UAE	1.21	0.84	2.25	\$78.03	\$41.54	\$193.03		\$58.25	\$370.85
UAF	1.21	0.57	2.25	\$78.03	\$28.19	\$193.03		\$58.25	\$357.50
UBA	0.94	6.65	2.25	\$60.62	\$328.84	\$193.03		\$58.25	\$640.74
UBB	0.94	4.61	2.25	\$60.62	\$227.96	\$193.03		\$58.25	\$539.86
UBC	0.94	2.73	2.25	\$60.62	\$135.00	\$193.03		\$58.25	\$446.90
UBD	0.94	1.9	2.25	\$60.62	\$93.96	\$193.03		\$58.25	\$405.86
UBE	0.94	0.84	2.25	\$60.62	\$41.54	\$193.03		\$58.25	\$353.44
UBF	0.94	0.57	2.25	\$60.62	\$28.19	\$193.03		\$58.25	\$340.09
UCA	0.79	6.65	2.25	\$50.95	\$328.84	\$193.03		\$58.25	\$631.07
UCB	0.79	4.61	2.25	\$50.95	\$227.96	\$193.03		\$58.25	\$530.19
UCC	0.79	2.73	2.25	\$50.95	\$135.00	\$193.03		\$58.25	\$437.23
UCD	0.79	1.9	2.25	\$50.95	\$93.96	\$193.03		\$58.25	\$396.19
UCE	0.79	0.84	2.25	\$50.95	\$41.54	\$193.03		\$58.25	\$343.77
UCF	0.79	0.57	2.25	\$50.95	\$28.19	\$193.03		\$58.25	\$330.42

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
VAA	1.16	6.65	1.41	\$74.81	\$328.84	\$120.96		\$58.25	\$582.86
VAB	1.16	4.61	1.41	\$74.81	\$227.96	\$120.96		\$58.25	\$481.98
VAC	1.16	2.73	1.41	\$74.81	\$135.00	\$120.96		\$58.25	\$389.02
VAD	1.16	1.9	1.41	\$74.81	\$93.96	\$120.96		\$58.25	\$347.98
VAE	1.16	0.84	1.41	\$74.81	\$41.54	\$120.96		\$58.25	\$295.56
VAF	1.16	0.57	1.41	\$74.81	\$28.19	\$120.96		\$58.25	\$282.21
VBA	1.02	6.65	1.41	\$65.78	\$328.84	\$120.96		\$58.25	\$573.83
VBB	1.02	4.61	1.41	\$65.78	\$227.96	\$120.96		\$58.25	\$472.95
VBC	1.02	2.73	1.41	\$65.78	\$135.00	\$120.96		\$58.25	\$379.99
VBD	1.02	1.9	1.41	\$65.78	\$93.96	\$120.96		\$58.25	\$338.95
VBE	1.02	0.84	1.41	\$65.78	\$41.54	\$120.96		\$58.25	\$286.53
VBF	1.02	0.57	1.41	\$65.78	\$28.19	\$120.96		\$58.25	\$273.18
VCA	0.78	6.65	1.41	\$50.30	\$328.84	\$120.96		\$58.25	\$558.35
VCB	0.78	4.61	1.41	\$50.30	\$227.96	\$120.96		\$58.25	\$457.47
VCC	0.78	2.73	1.41	\$50.30	\$135.00	\$120.96		\$58.25	\$364.51
VCD	0.78	1.9	1.41	\$50.30	\$93.96	\$120.96		\$58.25	\$323.47
VCE	0.78	0.84	1.41	\$50.30	\$41.54	\$120.96		\$58.25	\$271.05
VCF	0.78	0.57	1.41	\$50.30	\$28.19	\$120.96		\$58.25	\$257.70
WAA	1.15	6.65	0.94	\$74.16	\$328.84	\$80.64		\$58.25	\$541.89
WAB	1.15	4.61	0.94	\$74.16	\$227.96	\$80.64		\$58.25	\$441.01
WAC	1.15	2.73	0.94	\$74.16	\$135.00	\$80.64		\$58.25	\$348.05
WAD	1.15	1.9	0.94	\$74.16	\$93.96	\$80.64		\$58.25	\$307.01
WAE	1.15	0.84	0.94	\$74.16	\$41.54	\$80.64		\$58.25	\$254.59
WAF	1.15	0.57	0.94	\$74.16	\$28.19	\$80.64		\$58.25	\$241.24
WBA	1.05	6.65	0.94	\$67.71	\$328.84	\$80.64		\$58.25	\$535.44

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
WBB	1.05	4.61	0.94	\$67.71	\$227.96	\$80.64		\$58.25	\$434.56
WBC	1.05	2.73	0.94	\$67.71	\$135.00	\$80.64		\$58.25	\$341.60
WBD	1.05	1.9	0.94	\$67.71	\$93.96	\$80.64		\$58.25	\$300.56
WBE	1.05	0.84	0.94	\$67.71	\$41.54	\$80.64		\$58.25	\$248.14
WBF	1.05	0.57	0.94	\$67.71	\$28.19	\$80.64		\$58.25	\$234.79
WCA	0.89	6.65	0.94	\$57.40	\$328.84	\$80.64		\$58.25	\$525.13
WCB	0.89	4.61	0.94	\$57.40	\$227.96	\$80.64		\$58.25	\$424.25
WCC	0.89	2.73	0.94	\$57.40	\$135.00	\$80.64		\$58.25	\$331.29
WCD	0.89	1.9	0.94	\$57.40	\$93.96	\$80.64		\$58.25	\$290.25
WCE	0.89	0.84	0.94	\$57.40	\$41.54	\$80.64		\$58.25	\$237.83
WCF	0.89	0.57	0.94	\$57.40	\$28.19	\$80.64		\$58.25	\$224.48
XAA	1.09	6.65	0.77	\$70.29	\$328.84	\$66.06		\$58.25	\$523.44
XAB	1.09	4.61	0.77	\$70.29	\$227.96	\$66.06		\$58.25	\$422.56
XAC	1.09	2.73	0.77	\$70.29	\$135.00	\$66.06		\$58.25	\$329.60
XAD	1.09	1.9	0.77	\$70.29	\$93.96	\$66.06		\$58.25	\$288.56
XAE	1.09	0.84	0.77	\$70.29	\$41.54	\$66.06		\$58.25	\$236.14
XAF	1.09	0.57	0.77	\$70.29	\$28.19	\$66.06		\$58.25	\$222.79
XBA	1.02	6.65	0.77	\$65.78	\$328.84	\$66.06		\$58.25	\$518.93
XBB	1.02	4.61	0.77	\$65.78	\$227.96	\$66.06		\$58.25	\$418.05
XBC	1.02	2.73	0.77	\$65.78	\$135.00	\$66.06		\$58.25	\$325.09
XBD	1.02	1.9	0.77	\$65.78	\$93.96	\$66.06		\$58.25	\$284.05
XBE	1.02	0.84	0.77	\$65.78	\$41.54	\$66.06		\$58.25	\$231.63
XBF	1.02	0.57	0.77	\$65.78	\$28.19	\$66.06		\$58.25	\$218.28
XCA	0.98	6.65	0.77	\$63.20	\$328.84	\$66.06		\$58.25	\$516.35
XCB	0.98	4.61	0.77	\$63.20	\$227.96	\$66.06		\$58.25	\$415.47
XCC	0.98	2.73	0.77	\$63.20	\$135.00	\$66.06		\$58.25	\$322.51

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
XCD	0.98	1.9	0.77	\$63.20	\$93.96	\$66.06		\$58.25	\$281.47
XCE	0.98	0.84	0.77	\$63.20	\$41.54	\$66.06		\$58.25	\$229.05
XCF	0.98	0.57	0.77	\$63.20	\$28.19	\$66.06		\$58.25	\$215.70
YAA	1.08	6.65	0.43	\$69.65	\$328.84	\$36.89		\$58.25	\$493.63
YAB	1.08	4.61	0.43	\$69.65	\$227.96	\$36.89		\$58.25	\$392.75
YAC	1.08	2.73	0.43	\$69.65	\$135.00	\$36.89		\$58.25	\$299.79
YAD	1.08	1.9	0.43	\$69.65	\$93.96	\$36.89		\$58.25	\$258.75
YAE	1.08	0.84	0.43	\$69.65	\$41.54	\$36.89		\$58.25	\$206.33
YAF	1.08	0.57	0.43	\$69.65	\$28.19	\$36.89		\$58.25	\$192.98
YBA	0.8	6.65	0.43	\$51.59	\$328.84	\$36.89		\$58.25	\$475.57
YBB	0.8	4.61	0.43	\$51.59	\$227.96	\$36.89		\$58.25	\$374.69
YBC	0.8	2.73	0.43	\$51.59	\$135.00	\$36.89		\$58.25	\$281.73
YBD	0.8	1.9	0.43	\$51.59	\$93.96	\$36.89		\$58.25	\$240.69
YBE	0.8	0.84	0.43	\$51.59	\$41.54	\$36.89		\$58.25	\$188.27
YBF	0.8	0.57	0.43	\$51.59	\$28.19	\$36.89		\$58.25	\$174.92
EAA	1.75	5.37		\$112.86	\$265.55		\$11.32	\$58.25	\$447.98
EAB	1.75	2.84		\$112.86	\$140.44		\$11.32	\$58.25	\$322.87
EAC	1.75	1.82		\$112.86	\$90.00		\$11.32	\$58.25	\$272.43
EAD	1.75	1.49		\$112.86	\$73.68		\$11.32	\$58.25	\$256.11
EAE	1.75	0.92		\$112.86	\$45.49		\$11.32	\$58.25	\$227.92
EAF	1.75	0.93		\$112.86	\$45.99		\$11.32	\$58.25	\$228.42
EBA	1.41	5.37		\$90.93	\$265.55		\$11.32	\$58.25	\$426.05
EBB	1.41	2.84		\$90.93	\$140.44		\$11.32	\$58.25	\$300.94
EBC	1.41	1.82		\$90.93	\$90.00		\$11.32	\$58.25	\$250.50
EBD	1.41	1.49		\$90.93	\$73.68		\$11.32	\$58.25	\$234.18
EBE	1.41	0.92		\$90.93	\$45.49		\$11.32	\$58.25	\$205.99

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
EBF	1.41	0.93		\$90.93	\$45.99		\$11.32	\$58.25	\$206.49
ECA	1.19	5.37		\$76.74	\$265.55		\$11.32	\$58.25	\$411.86
ECB	1.19	2.84		\$76.74	\$140.44		\$11.32	\$58.25	\$286.75
ECC	1.19	1.82		\$76.74	\$90.00		\$11.32	\$58.25	\$236.31
ECD	1.19	1.49		\$76.74	\$73.68		\$11.32	\$58.25	\$219.99
ECE	1.19	0.92		\$76.74	\$45.49		\$11.32	\$58.25	\$191.80
ECF	1.19	0.93		\$76.74	\$45.99		\$11.32	\$58.25	\$192.30
SAA	1.13	2.72		\$72.87	\$134.50		\$11.32	\$58.25	\$276.94
SAB	1.13	2.8		\$72.87	\$138.46		\$11.32	\$58.25	\$280.90
SAC	1.13	1.64		\$72.87	\$81.10		\$11.32	\$58.25	\$223.54
SAD	1.13	1.46		\$72.87	\$72.20		\$11.32	\$58.25	\$214.64
SAE	1.13	0.75		\$72.87	\$37.09		\$11.32	\$58.25	\$179.53
SAF	1.13	0.6		\$72.87	\$29.67		\$11.32	\$58.25	\$172.11
SBA	1.05	2.72		\$67.71	\$134.50		\$11.32	\$58.25	\$271.78
SBB	1.05	2.8		\$67.71	\$138.46		\$11.32	\$58.25	\$275.74
SBC	1.05	1.64		\$67.71	\$81.10		\$11.32	\$58.25	\$218.38
SBD	1.05	1.46		\$67.71	\$72.20		\$11.32	\$58.25	\$209.48
SBE	1.05	0.75		\$67.71	\$37.09		\$11.32	\$58.25	\$174.37
SBF	1.05	0.6		\$67.71	\$29.67		\$11.32	\$58.25	\$166.95
SCA	1.01	2.72		\$65.13	\$134.50		\$11.32	\$58.25	\$269.20
SCB	1.01	2.8		\$65.13	\$138.46		\$11.32	\$58.25	\$273.16
SCC	1.01	1.64		\$65.13	\$81.10		\$11.32	\$58.25	\$215.80
SCD	1.01	1.46		\$65.13	\$72.20		\$11.32	\$58.25	\$206.90
SCE	1.01	0.75		\$65.13	\$37.09		\$11.32	\$58.25	\$171.79
SCF	1.01	0.6		\$65.13	\$29.67		\$11.32	\$58.25	\$164.37

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
CAA	1.12	2.17		\$72.23	\$107.31		\$11.32	\$58.25	\$249.11
CAB	1.12	2.17		\$72.23	\$107.31		\$11.32	\$58.25	\$249.11
CAC	1.12	2.17		\$72.23	\$107.31		\$11.32	\$58.25	\$249.11
CAD	1.12	1.6		\$72.23	\$79.12		\$11.32	\$58.25	\$220.92
CAE	1.12	0.89		\$72.23	\$44.01		\$11.32	\$58.25	\$185.81
CAF	1.12	0.59		\$72.23	\$29.18		\$11.32	\$58.25	\$170.98
CBA	0.99	2.17		\$63.85	\$107.31		\$11.32	\$58.25	\$240.73
CBB	0.99	2.17		\$63.85	\$107.31		\$11.32	\$58.25	\$240.73
CBC	0.99	2.17		\$63.85	\$107.31		\$11.32	\$58.25	\$240.73
CBD	0.99	1.6		\$63.85	\$79.12		\$11.32	\$58.25	\$212.54
CBE	0.99	0.89		\$63.85	\$44.01		\$11.32	\$58.25	\$177.43
CBF	0.99	0.59		\$63.85	\$29.18		\$11.32	\$58.25	\$162.60
CCA	0.91	2.17		\$58.69	\$107.31		\$11.32	\$58.25	\$235.57
CCB	0.91	2.17		\$58.69	\$107.31		\$11.32	\$58.25	\$235.57
CCC	0.91	2.17		\$58.69	\$107.31		\$11.32	\$58.25	\$235.57
CCD	0.91	1.6		\$58.69	\$79.12		\$11.32	\$58.25	\$207.38
CCE	0.91	0.89		\$58.69	\$44.01		\$11.32	\$58.25	\$172.27
CCF	0.91	0.59		\$58.69	\$29.18		\$11.32	\$58.25	\$157.44
CDA	0.84	2.17		\$54.17	\$107.31		\$11.32	\$58.25	\$231.05
CDB	0.84	2.17		\$54.17	\$107.31		\$11.32	\$58.25	\$231.05
CDC	0.84	2.17		\$54.17	\$107.31		\$11.32	\$58.25	\$231.05
CDD	0.84	1.6		\$54.17	\$79.12		\$11.32	\$58.25	\$202.86
CDE	0.84	0.89		\$54.17	\$44.01		\$11.32	\$58.25	\$167.75
CDF	0.84	0.59		\$54.17	\$29.18		\$11.32	\$58.25	\$152.92
CEA	0.83	2.17		\$53.53	\$107.31		\$11.32	\$58.25	\$230.41
CEB	0.83	2.17		\$53.53	\$107.31		\$11.32	\$58.25	\$230.41



RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
PBR	0.72	0.64		\$46.43	\$31.65		\$11.32	\$58.25	<b>\$147.65</b>
PCR	0.7	0.64		\$45.14	\$31.65		\$11.32	\$58.25	<b>\$146.36</b>
PDR	0.65	0.64		\$41.92	\$31.65		\$11.32	\$58.25	<b>\$143.14</b>
PER	0.64	0.64		\$41.27	\$31.65		\$11.32	\$58.25	<b>\$142.49</b>
PFR	0.51	0.64		\$32.89	\$31.65		\$11.32	\$58.25	<b>\$134.11</b>
PGR	0.5	0.64		\$32.25	\$31.65		\$11.32	\$58.25	<b>\$133.47</b>
PHR	0.49	0.64		\$31.60	\$31.65		\$11.32	\$58.25	<b>\$132.82</b>
PIR	0.46	0.64		\$29.67	\$31.65		\$11.32	\$58.25	<b>\$130.89</b>
PJR	0.46	0.64		\$29.67	\$31.65		\$11.32	\$58.25	<b>\$130.89</b>

**Table 6.2**  
**CASE-MIX ADJUSTED FEDERAL RATES AND ASSOCIATED INDICES - WIM 2 RURAL**

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
JAA	1.71	6.33	2.25	\$106.88	\$294.85	\$223.00		\$59.32	\$684.05
JAB	1.71	4.25	2.25	\$106.88	\$197.97	\$223.00		\$59.32	\$587.17
JAC	1.71	2.28	2.25	\$106.88	\$106.20	\$223.00		\$59.32	\$495.40
JAD	1.71	1.54	2.25	\$106.88	\$71.73	\$223.00		\$59.32	\$460.93
JAE	1.71	1.08	2.25	\$106.88	\$50.31	\$223.00		\$59.32	\$439.51
JAF	1.71	0.36	2.25	\$106.88	\$16.77	\$223.00		\$59.32	\$405.97
JBA	1.39	6.33	2.25	\$86.88	\$294.85	\$223.00		\$59.32	\$664.05
JBB	1.39	4.25	2.25	\$86.88	\$197.97	\$223.00		\$59.32	\$567.17
JBC	1.39	2.28	2.25	\$86.88	\$106.20	\$223.00		\$59.32	\$475.40
JBD	1.39	1.54	2.25	\$86.88	\$71.73	\$223.00		\$59.32	\$440.93
JBE	1.39	1.08	2.25	\$86.88	\$50.31	\$223.00		\$59.32	\$419.51
JBF	1.39	0.36	2.25	\$86.88	\$16.77	\$223.00		\$59.32	\$385.97
JCA	1.22	6.33	2.25	\$76.25	\$294.85	\$223.00		\$59.32	\$653.42
JCB	1.22	4.25	2.25	\$76.25	\$197.97	\$223.00		\$59.32	\$556.54
JCC	1.22	2.28	2.25	\$76.25	\$106.20	\$223.00		\$59.32	\$464.77
JCD	1.22	1.54	2.25	\$76.25	\$71.73	\$223.00		\$59.32	\$430.30
JCE	1.22	1.08	2.25	\$76.25	\$50.31	\$223.00		\$59.32	\$408.88
JCF	1.22	0.36	2.25	\$76.25	\$16.77	\$223.00		\$59.32	\$375.34
KAA	1.57	6.33	1.41	\$98.13	\$294.85	\$139.75		\$59.32	\$592.05
KAB	1.57	4.25	1.41	\$98.13	\$197.97	\$139.75		\$59.32	\$495.17
KAC	1.57	2.28	1.41	\$98.13	\$106.20	\$139.75		\$59.32	\$403.40
KAD	1.57	1.54	1.41	\$98.13	\$71.73	\$139.75		\$59.32	\$368.93
KAE	1.57	1.08	1.41	\$98.13	\$50.31	\$139.75		\$59.32	\$347.51
KAF	1.57	0.36	1.41	\$98.13	\$16.77	\$139.75		\$59.32	\$313.97
KBA	1.44	6.33	1.41	\$90.00	\$294.85	\$139.75		\$59.32	\$583.92
KBB	1.44	4.25	1.41	\$90.00	\$197.97	\$139.75		\$59.32	\$487.04

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
KBC	1.44	2.28	1.41	\$90.00	\$106.20	\$139.75		\$59.32	<b>\$395.27</b>
KBD	1.44	1.54	1.41	\$90.00	\$71.73	\$139.75		\$59.32	<b>\$360.80</b>
KBE	1.44	1.08	1.41	\$90.00	\$50.31	\$139.75		\$59.32	<b>\$339.38</b>
KBF	1.44	0.36	1.41	\$90.00	\$16.77	\$139.75		\$59.32	<b>\$305.84</b>
KCA	1.2	6.33	1.41	\$75.00	\$294.85	\$139.75		\$59.32	<b>\$568.92</b>
KCB	1.2	4.25	1.41	\$75.00	\$197.97	\$139.75		\$59.32	<b>\$472.04</b>
KCC	1.2	2.28	1.41	\$75.00	\$106.20	\$139.75		\$59.32	<b>\$380.27</b>
KCD	1.2	1.54	1.41	\$75.00	\$71.73	\$139.75		\$59.32	<b>\$345.80</b>
KCE	1.2	1.08	1.41	\$75.00	\$50.31	\$139.75		\$59.32	<b>\$324.38</b>
KCF	1.2	0.36	1.41	\$75.00	\$16.77	\$139.75		\$59.32	<b>\$290.84</b>
LAA	1.53	6.33	0.94	\$95.63	\$294.85	\$93.16		\$59.32	<b>\$542.96</b>
LAB	1.53	4.25	0.94	\$95.63	\$197.97	\$93.16		\$59.32	<b>\$446.08</b>
LAC	1.53	2.28	0.94	\$95.63	\$106.20	\$93.16		\$59.32	<b>\$354.31</b>
LAD	1.53	1.54	0.94	\$95.63	\$71.73	\$93.16		\$59.32	<b>\$319.84</b>
LAE	1.53	1.08	0.94	\$95.63	\$50.31	\$93.16		\$59.32	<b>\$298.42</b>
LAF	1.53	0.36	0.94	\$95.63	\$16.77	\$93.16		\$59.32	<b>\$264.88</b>
LBA	1.45	6.33	0.94	\$90.63	\$294.85	\$93.16		\$59.32	<b>\$537.96</b>
LBB	1.45	4.25	0.94	\$90.63	\$197.97	\$93.16		\$59.32	<b>\$441.08</b>
LBC	1.45	2.28	0.94	\$90.63	\$106.20	\$93.16		\$59.32	<b>\$349.31</b>
LBD	1.45	1.54	0.94	\$90.63	\$71.73	\$93.16		\$59.32	<b>\$314.84</b>
LBE	1.45	1.08	0.94	\$90.63	\$50.31	\$93.16		\$59.32	<b>\$293.42</b>
LBF	1.45	0.36	0.94	\$90.63	\$16.77	\$93.16		\$59.32	<b>\$259.88</b>
LCA	1.23	6.33	0.94	\$76.88	\$294.85	\$93.16		\$59.32	<b>\$524.21</b>
LCB	1.23	4.25	0.94	\$76.88	\$197.97	\$93.16		\$59.32	<b>\$427.33</b>
LCC	1.23	2.28	0.94	\$76.88	\$106.20	\$93.16		\$59.32	<b>\$335.56</b>
LCD	1.23	1.54	0.94	\$76.88	\$71.73	\$93.16		\$59.32	<b>\$301.09</b>
LCE	1.23	1.08	0.94	\$76.88	\$50.31	\$93.16		\$59.32	<b>\$279.67</b>

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
LCF	1.23	0.36	0.94	\$76.88	\$16.77	\$93.16		\$59.32	\$246.13
MAA	1.66	6.33	0.77	\$103.75	\$294.85	\$76.31		\$59.32	\$534.23
MAB	1.66	4.25	0.77	\$103.75	\$197.97	\$76.31		\$59.32	\$437.35
MAC	1.66	2.28	0.77	\$103.75	\$106.20	\$76.31		\$59.32	\$345.58
MAD	1.66	1.54	0.77	\$103.75	\$71.73	\$76.31		\$59.32	\$311.11
MAE	1.66	1.08	0.77	\$103.75	\$50.31	\$76.31		\$59.32	\$289.69
MAF	1.66	0.36	0.77	\$103.75	\$16.77	\$76.31		\$59.32	\$256.15
MBA	1.47	6.33	0.77	\$91.88	\$294.85	\$76.31		\$59.32	\$522.36
MBB	1.47	4.25	0.77	\$91.88	\$197.97	\$76.31		\$59.32	\$425.48
MBC	1.47	2.28	0.77	\$91.88	\$106.20	\$76.31		\$59.32	\$333.71
MBD	1.47	1.54	0.77	\$91.88	\$71.73	\$76.31		\$59.32	\$299.24
MBE	1.47	1.08	0.77	\$91.88	\$50.31	\$76.31		\$59.32	\$277.82
MBF	1.47	0.36	0.77	\$91.88	\$16.77	\$76.31		\$59.32	\$244.28
MCA	1.43	6.33	0.77	\$89.38	\$294.85	\$76.31		\$59.32	\$519.86
MCB	1.43	4.25	0.77	\$89.38	\$197.97	\$76.31		\$59.32	\$422.98
MCC	1.43	2.28	0.77	\$89.38	\$106.20	\$76.31		\$59.32	\$331.21
MCD	1.43	1.54	0.77	\$89.38	\$71.73	\$76.31		\$59.32	\$296.74
MCE	1.43	1.08	0.77	\$89.38	\$50.31	\$76.31		\$59.32	\$275.32
MCF	1.43	0.36	0.77	\$89.38	\$16.77	\$76.31		\$59.32	\$241.78
NAA	1.52	6.33	0.43	\$95.00	\$294.85	\$42.62		\$59.32	\$491.79
NAB	1.52	4.25	0.43	\$95.00	\$197.97	\$42.62		\$59.32	\$394.91
NAC	1.52	2.28	0.43	\$95.00	\$106.20	\$42.62		\$59.32	\$303.14
NAD	1.52	1.54	0.43	\$95.00	\$71.73	\$42.62		\$59.32	\$268.67
NAE	1.52	1.08	0.43	\$95.00	\$50.31	\$42.62		\$59.32	\$247.25
NAF	1.52	0.36	0.43	\$95.00	\$16.77	\$42.62		\$59.32	\$213.71
NBA	1.26	6.33	0.43	\$78.75	\$294.85	\$42.62		\$59.32	\$475.54

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
NBB	1.26	4.25	0.43	\$78.75	\$197.97	\$42.62		\$59.32	\$378.66
NBC	1.26	2.28	0.43	\$78.75	\$106.20	\$42.62		\$59.32	\$286.89
NBD	1.26	1.54	0.43	\$78.75	\$71.73	\$42.62		\$59.32	\$252.42
NBE	1.26	1.08	0.43	\$78.75	\$50.31	\$42.62		\$59.32	\$231.00
NBF	1.26	0.36	0.43	\$78.75	\$16.77	\$42.62		\$59.32	\$197.46
UAA	1.21	6.65	2.25	\$75.63	\$309.76	\$223.00		\$59.32	\$667.71
UAB	1.21	4.61	2.25	\$75.63	\$214.73	\$223.00		\$59.32	\$572.68
UAC	1.21	2.73	2.25	\$75.63	\$127.16	\$223.00		\$59.32	\$485.11
UAD	1.21	1.9	2.25	\$75.63	\$88.50	\$223.00		\$59.32	\$446.45
UAE	1.21	0.84	2.25	\$75.63	\$39.13	\$223.00		\$59.32	\$397.08
UAF	1.21	0.57	2.25	\$75.63	\$26.55	\$223.00		\$59.32	\$384.50
UBA	.094	6.65	2.25	\$58.75	\$309.76	\$223.00		\$59.32	\$650.83
UBB	.094	4.61	2.25	\$58.75	\$214.73	\$223.00		\$59.32	\$555.80
UBC	.094	2.73	2.25	\$58.75	\$127.16	\$223.00		\$59.32	\$468.23
UBD	.094	1.9	2.25	\$58.75	\$88.50	\$223.00		\$59.32	\$429.57
UBE	.094	0.84	2.25	\$58.75	\$39.13	\$223.00		\$59.32	\$380.20
UBF	.094	0.57	2.25	\$58.75	\$26.55	\$223.00		\$59.32	\$367.62
UCA	0.79	6.65	2.25	\$49.38	\$309.76	\$223.00		\$59.32	\$641.46
UCB	0.79	4.61	2.25	\$49.38	\$214.73	\$223.00		\$59.32	\$546.43
UCC	0.79	2.73	2.25	\$49.38	\$127.16	\$223.00		\$59.32	\$458.86
UCD	0.79	1.9	2.25	\$49.38	\$88.50	\$223.00		\$59.32	\$420.20
UCE	0.79	0.84	2.25	\$49.38	\$39.13	\$223.00		\$59.32	\$370.83
UCF	0.79	0.57	2.25	\$49.38	\$26.55	\$223.00		\$59.32	\$358.25
VAA	1.16	6.65	1.41	\$72.50	\$309.76	\$139.75		\$59.32	\$581.33
VAB	1.16	4.61	1.41	\$72.50	\$214.73	\$139.75		\$59.32	\$486.30
VAC	1.16	2.73	1.41	\$72.50	\$127.16	\$139.75		\$59.32	\$398.73
VAD	1.16	1.9	1.41	\$72.50	\$88.50	\$139.75		\$59.32	\$360.07



RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
WCA	0.89	6.65	0.94	\$55.63	\$309.76	\$93.16		\$59.32	\$517.87
WCB	0.89	4.61	0.94	\$55.63	\$214.73	\$93.16		\$59.32	\$422.84
WCC	0.89	2.73	0.94	\$55.63	\$127.16	\$93.16		\$59.32	\$335.27
WCD	0.89	1.9	0.94	\$55.63	\$88.50	\$93.16		\$59.32	\$296.61
WCE	0.89	0.84	0.94	\$55.63	\$39.13	\$93.16		\$59.32	\$247.24
WCF	0.89	0.57	0.94	\$55.63	\$26.55	\$93.16		\$59.32	\$234.66
XAA	1.09	6.65	0.77	\$68.13	\$309.76	\$76.31		\$59.32	\$513.52
XAB	1.09	4.61	0.77	\$68.13	\$214.73	\$76.31		\$59.32	\$418.49
XAC	1.09	2.73	0.77	\$68.13	\$127.16	\$76.31		\$59.32	\$330.92
XAD	1.09	1.9	0.77	\$68.13	\$88.50	\$76.31		\$59.32	\$292.26
XAE	1.09	0.84	0.77	\$68.13	\$39.13	\$76.31		\$59.32	\$242.89
XAF	1.09	0.57	0.77	\$68.13	\$26.55	\$76.31		\$59.32	\$230.31
XBA	1.02	6.65	0.77	\$63.75	\$309.76	\$76.31		\$59.32	\$509.14
XBB	1.02	4.61	0.77	\$63.75	\$214.73	\$76.31		\$59.32	\$414.11
XBC	1.02	2.73	0.77	\$63.75	\$127.16	\$76.31		\$59.32	\$326.54
XBD	1.02	1.9	0.77	\$63.75	\$88.50	\$76.31		\$59.32	\$287.88
XBE	1.02	0.84	0.77	\$63.75	\$39.13	\$76.31		\$59.32	\$238.51
XBF	1.02	0.57	0.77	\$63.75	\$26.55	\$76.31		\$59.32	\$225.93
XCA	0.98	6.65	0.77	\$61.25	\$309.76	\$76.31		\$59.32	\$506.64
XCB	0.98	4.61	0.77	\$61.25	\$214.73	\$76.31		\$59.32	\$411.61
XCC	0.98	2.73	0.77	\$61.25	\$127.16	\$76.31		\$59.32	\$324.04
XCD	0.98	1.9	0.77	\$61.25	\$88.50	\$76.31		\$59.32	\$285.38
XCE	0.98	0.84	0.77	\$61.25	\$39.13	\$76.31		\$59.32	\$236.01
XCF	0.98	0.57	0.77	\$61.25	\$26.55	\$76.31		\$59.32	\$223.43
YAA	1.08	6.65	0.43	\$67.50	\$309.76	\$42.62		\$59.32	\$479.20
YAB	1.08	4.61	0.43	\$67.50	\$214.73	\$42.62		\$59.32	\$384.17
YAC	1.08	2.73	0.43	\$67.50	\$127.16	\$42.62		\$59.32	\$296.60

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
YAD	1.08	1.9	0.43	\$67.50	\$88.50	\$42.62		\$59.32	<b>\$257.94</b>
YAE	1.08	0.84	0.43	\$67.50	\$39.13	\$42.62		\$59.32	<b>\$208.57</b>
YAF	1.08	0.57	0.43	\$67.50	\$26.55	\$42.62		\$59.32	<b>\$195.99</b>
YBA	0.8	6.65	0.43	\$50.00	\$309.76	\$42.62		\$59.32	<b>\$461.70</b>
YBB	0.8	4.61	0.43	\$50.00	\$214.73	\$42.62		\$59.32	<b>\$366.67</b>
YBC	0.8	2.73	0.43	\$50.00	\$127.16	\$42.62		\$59.32	<b>\$279.10</b>
YBD	0.8	1.9	0.43	\$50.00	\$88.50	\$42.62		\$59.32	<b>\$240.44</b>
YBE	0.8	0.84	0.43	\$50.00	\$39.13	\$42.62		\$59.32	<b>\$191.07</b>
YBF	0.8	0.57	0.43	\$50.00	\$26.55	\$42.62		\$59.32	<b>\$178.49</b>
EAA	1.75	5.37		\$109.38	\$250.13		\$12.10	\$59.32	<b>\$430.93</b>
EAB	1.75	2.84		\$109.38	\$132.29		\$12.10	\$59.32	<b>\$313.09</b>
EAC	1.75	1.82		\$109.38	\$84.78		\$12.10	\$59.32	<b>\$265.58</b>
EAD	1.75	1.49		\$109.38	\$69.40		\$12.10	\$59.32	<b>\$250.20</b>
EAE	1.75	0.92		\$109.38	\$42.85		\$12.10	\$59.32	<b>\$223.65</b>
EAF	1.75	0.93		\$109.38	\$43.32		\$12.10	\$59.32	<b>\$224.12</b>
EBA	1.41	5.37		\$88.13	\$250.13		\$12.10	\$59.32	<b>\$409.68</b>
EBB	1.41	2.84		\$88.13	\$132.29		\$12.10	\$59.32	<b>\$291.84</b>
EBC	1.41	1.82		\$88.13	\$84.78		\$12.10	\$59.32	<b>\$244.33</b>
EBD	1.41	1.49		\$88.13	\$69.40		\$12.10	\$59.32	<b>\$228.95</b>
EBE	1.41	0.92		\$88.13	\$42.85		\$12.10	\$59.32	<b>\$202.40</b>
EBF	1.41	0.93		\$88.13	\$43.32		\$12.10	\$59.32	<b>\$202.87</b>
ECA	1.19	5.37		\$74.38	\$250.13		\$12.10	\$59.32	<b>\$395.93</b>
ECB	1.19	2.84		\$74.38	\$132.29		\$12.10	\$59.32	<b>\$278.09</b>
ECC	1.19	1.82		\$74.38	\$84.78		\$12.10	\$59.32	<b>\$230.58</b>
ECD	1.19	1.49		\$74.38	\$69.40		\$12.10	\$59.32	<b>\$215.20</b>
ECE	1.19	0.92		\$74.38	\$42.85		\$12.10	\$59.32	<b>\$188.65</b>
ECF	1.19	0.93		\$74.38	\$43.32		\$12.10	\$59.32	<b>\$189.12</b>

RUG III Category	Nursing Index	Medical Ancillary Index	Therapy Index	Nursing Component	Med. Ancillary Component	Therapy Component	Therapy Non-Case-Mix Component	Non-Case-Mix Component	Total Rate
SAA	1.13	2.72		\$70.63	\$126.70		\$12.10	\$59.32	\$268.75
SAB	1.13	2.8		\$70.63	\$130.42		\$12.10	\$59.32	\$272.47
SAC	1.13	1.64		\$70.63	\$76.39		\$12.10	\$59.32	\$218.44
SAD	1.13	1.46		\$70.63	\$68.01		\$12.10	\$59.32	\$210.06
SAE	1.13	0.75		\$70.63	\$34.94		\$12.10	\$59.32	\$176.99
SAF	1.13	0.6		\$70.63	\$27.95		\$12.10	\$59.32	\$170.00
SBA	1.05	2.72		\$65.63	\$126.70		\$12.10	\$59.32	\$263.75
SBB	1.05	2.8		\$65.63	\$130.42		\$12.10	\$59.32	\$267.47
SBC	1.05	1.64		\$65.63	\$76.39		\$12.10	\$59.32	\$213.44
SBD	1.05	1.46		\$65.63	\$68.01		\$12.10	\$59.32	\$205.06
SBE	1.05	0.75		\$65.63	\$34.94		\$12.10	\$59.32	\$171.99
SBF	1.05	0.6		\$65.63	\$27.95		\$12.10	\$59.32	\$165.00
SCA	1.01	2.72		\$63.13	\$126.70		\$12.10	\$59.32	\$261.25
SCB	1.01	2.8		\$63.13	\$130.42		\$12.10	\$59.32	\$264.97
SCC	1.01	1.64		\$63.13	\$76.39		\$12.10	\$59.32	\$210.94
SCD	1.01	1.46		\$63.13	\$68.01		\$12.10	\$59.32	\$202.56
SCE	1.01	0.75		\$63.13	\$34.94		\$12.10	\$59.32	\$169.49
SCF	1.01	0.6		\$63.13	\$27.95		\$12.10	\$59.32	\$162.50
CAA	1.12	2.17		\$70.00	\$101.08		\$12.10	\$59.32	\$242.50
CAB	1.12	2.17		\$70.00	\$101.08		\$12.10	\$59.32	\$242.50
CAC	1.12	2.17		\$70.00	\$101.08		\$12.10	\$59.32	\$242.50
CAD	1.12	1.6		\$70.00	\$74.53		\$12.10	\$59.32	\$215.95
CAE	1.12	0.89		\$70.00	\$41.46		\$12.10	\$59.32	\$182.88
CAF	1.12	0.59		\$70.00	\$27.48		\$12.10	\$59.32	\$168.90
CBA	0.99	2.17		\$61.88	\$101.08		\$12.10	\$59.32	\$234.38
CBB	0.99	2.17		\$61.88	\$101.08		\$12.10	\$59.32	\$234.38